

*THE BREWING TRADE IN NORTH EAST ENGLAND, 1869–1939*

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Thesis submitted by

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## *ABSTRACT OF THESIS*

### *The Brewing Trade in North East England, 1869–1939*

The thesis traces the evolution of the North East brewing trade from the introduction of restrictive licensing in 1869 through to the outbreak of the Second World War. Part One assesses the state of North East brewing c.1869 with respect to brewing practice and technology, the structure of the trade, the degree of public regulation and public concern, and the competitive environment, especially regional products and the role of imports from outside the North East. Part Two, covering 1870–1890, deals with two main issues : the organisation of production, including the structure of the trade and the size and arrangement of breweries, and competition in the context of attempts by brewers in the region to meet the competitive challenge from outside brewers through greater involvement in the retail sector and through the strengthening of management, improved products and marketing. Part Three, covering 1891–1914, looks at the changing structure of the trade as a result of concentration of ownership, incorporation, rationalisation, and further integration into retailing. The increasingly complex competitive environment, the more professional approach to management and financial performance are also discussed. Part Four, covering 1914–1920, considers the organisation of the trade, competition and performance in the particular circumstances of strict government regulation. Part Five, covering 1921–1939, deals in the first instance with structural change, both in production and the retail trade, against the background of overall contraction in the industry. Secondly, competition and performance during the period are discussed; the changing competitive environment with respect to counter-attractions and the brewers' response of improving public houses and advertising, and performance in the context of the difficult economic climate. Finally, some general conclusions are drawn about the overall pattern of structural change, developments in competitive and market behaviour, and performance; about the causal relationship between these factors; and about the determining influence of takeover and merger.

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*INTRODUCTION*

•



## *INTRODUCTION*

The title of this thesis has three components — an economic activity, a location and a time period — which require some explanation. By 'brewing trade' we mean all those activities brewing firms participated in, including distribution and retailing. The expression 'brewing trade' is therefore used in preference to 'brewing' to indicate our intention of dealing with aspects of the industry broader than the manufacturing process itself. By 'North East England' we mean, strictly speaking, that corner of England which embraces the old counties of Durham and Northumberland, including Newcastle, and also that area of the old North Riding of Yorkshire which skirts the south bank of the lower reaches of the Tees. Whilst this stakes out what would generally be thought of as the North East, it produces an area rather ragged around its southern edges and one that is not consistent with many of the geographical bases used in the collection of statistical data utilised in this study. However, this area around Middlesbrough, although notable in many respects and certainly a significant market for beersellers, was not important in brewing terms and its fleeting appearances in the chapters that follow could be said to reflect its peripheral role in brewing. For the most part, therefore, reference in the thesis to the North East centres on Northumberland and Durham. For simplicity's sake, and to avoid confusion with the name of one of the region's largest brewers, the term 'North East' is used throughout as both a noun and adjective.

As to the choice of time—scale, this is a vexed question for any study and one that can never be answered entirely satisfactorily. The starting point of 1869 has obvious merits : it represents an important legal milestone when open entry to the retail trade was ended and brewers were given the chance of market power through the control of licensed premises. Moreover, as well as having far-reaching implications for forward integration, 1869 is also around the time when the

possibilities offered by technical change within production, which were to have an equally important influence on the evolution of the industry, were becoming apparent. Ending the study in 1939 is perhaps more difficult to justify than beginning in 1869, although on the face of it 1939 does offer a convenient punctuation mark — the clichéd end of an era — in a general historical, social and economic sense. Yet 1939 does have its significance for the North East brewing trade : a year earlier the region had witnessed the last of a series of important inter-war amalgamations and the industry was about to settle into a somewhat sterile structural equilibrium which would not be disturbed until the mid-1950s. Setting our time-scale as the period 1869–1939 provides us with a logical and manageable period of seventy years.

Whilst the thesis title spells out the main parameters of the study, it is the available source material that ultimately determines its actual scope, and in this respect there is only a scanty supply of published material on North East brewing. In the first instance, the most comprehensive history of the industry, by Mathias,<sup>[1]</sup> ends well before our investigation begins; and whilst there are two other studies of the national industry from an economic perspective,<sup>[2]</sup> both with useful chapters summarising the historical developments within our time-scale, they make only the odd passing reference to the North East. Furthermore, there are no regional brewing histories dealing with the English provinces, although there is an ambitious attempt to explain one company's history in the context of the Irish economy and two books focussing on Scotland.<sup>[3]</sup> The Scottish works do however contain relevant information on an interesting aspect of the North East brewing trade, that is, the links between the region's beer market and producers across the border. One book which has proved a valuable reference work for other historians is that by Wilson,<sup>[4]</sup> who as the national secretary of a teetotal society for over twenty years was primarily interested in producing a volume detailing the full extent of the liquor

problem, but did nevertheless include an appendix in which he summarised a great many official statistics. One unpublished piece of work, a doctoral thesis by Baxter<sup>[5]</sup> reliant on printed sources, outlines the organisation of the brewing trade from earliest times but concentrates on the industry's pace-setters and therefore ignores the North East. However, like Wilson, Baxter has rendered a useful service by processing data.

The sources referred to above are of use in describing the context of a national industry in which North East brewing operated. Also useful for this purpose, and also for frequent references to developments in the North East, are the industry's trade journals.<sup>[6]</sup> In the North East itself, there have been three histories published for individual companies<sup>[7]</sup> which refer to the main developments within the firms but tend to dwell on personalities and contain little analysis or data. Similarly, there have been from time to time a few pamphlets and supplements issued outlining the history of brewing companies, but these are invariably abbreviated such that they contain little about a firm's early days and that which is included is often the stuff of legend rather than factual research.

Taken as a whole, the sources discussed so far would provide little more than a skeletal account of the changing structure of the North East trade and consequently we have to look to two other types of source to provide the flesh. The first of these, providing substantial case evidence, is made up of those surviving primary sources which include the minute books and other papers of some of the region's brewing companies, local trade association documents and records kept by licensing authorities.<sup>[8]</sup> The second category, constituting an invaluable printed source on the region's brewing trade, is the local press, chiefly before 1914.<sup>[9]</sup> The North East newspapers of the day occasionally reported key events in a brewery's existence but — in a more helpful way — they faithfully detailed private company

registration, printed public company prospectuses, reported the candid views of company chairmen, published obituaries covering business careers, recorded the deliberations of licensing benches and, in their advertising columns, printed auctioneers' schedules which listed specifications of buildings and plant.

There are additional printed sources that provide information on specific features of the North East trade; for example, local directories, particularly the illustrated variety that appeared in the last quarter of the nineteenth century. Also, two by-products of the degree of government regulation of brewing and the trade's value to the Exchequer as a source of tax revenue were the regular generation of official statistics and the occasional commissioned study of the trade. Unfortunately, the range and content of statistical returns was curtailed (and never re-instated) on the outbreak of the First World War, but the thoroughness of Royal Commissions was maintained and reports sometimes recorded detailed testimony from a North East witness. It must be borne in mind, of course, that the impact of government on the operation of the trade does produce a potential hazard in the use of some sources, since what became at times a sensitive political issue meant that the participants in any debate could be prone to propagandising and exaggeration.

Looked at in its entirety, there is certainly a mass of raw material upon which to draw. Yet gaps exist in two areas and we must acknowledge the fact. Firstly, we do not have the means to systematically define the market structure. For the economist, market power is quantifiable through such measures as gross outputs, asset values or levels of employment; but such information is not generally available for the North East brewing trade, although other indicators of size and standing within the trade can be used to point to relative importance. A second weakness is the dearth of documentation on internal decision-making within organisations, which could throw light on the reasoning behind the market conduct of brewers. Annual reports and minute books offer some insight but little solid

evidence exists. Having said this, however, there is little to be gained from lamenting the inevitable incompleteness of the raw material with which we have to work : we are not operating — and cannot hope to operate — where modern conditions allow rigorous analytical techniques to be applied to readily—available, comprehensive, empirical data. The surviving evidence on the brewing trade of the past may not be as all—embracing as we would wish but a sufficient amount and range exists upon which to base our investigation.

This thesis uses the many and varied sources available to trace and explain the evolution of the North East brewing trade between 1869 and 1939. Our approach is to begin without pre—conceived theories or hypotheses but to carefully examine the available evidence and tease out the common threads. A chronological framework is adopted, beginning with an assessment of the trade c1869 and considering the next seventy years on the basis of appropriate shorter time periods. Within this framework certain issues are pursued as they come to the fore, with the main themes running through this study being those of the changing structure of the trade, competition and market behaviour, and the overall performance of those involved.

**PART ONE: c1869****CHAPTER 1 : THE BREWING TRADE c1869**

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## *CHAPTER 1 : THE BREWING TRADE c1869*

### *1.1. INTRODUCTION*

An assessment of the position of the North East brewing trade c1869 has to embrace a number of different elements. As to the practice of brewing itself, it had developed such that by this time there was nascent acceptance of the potential offered by innovation and scientific method. With regard to the organisation of production and the structure of the industry, the pattern by 1869 had become one of co-existence of some long-established, sizeable breweries alongside smaller, craft-based operations. Other important factors determining the environment in which brewing operated were changes in licensing legislation and the growing temperance influence, both of which were to have long-term implications for the brewers' conduct of their business, especially forward integration into retailing. Finally, there were the main competitive pressures felt by brewers around 1869, particularly the growing agency system adopted by brewers from outside the region, which were to act as important incentives for regional firms to improve their methods and products.

### *1.2 BREWING AND BREWERIES*

#### *1.2 1 The Brewing Process*

Brewing is based upon what one historian calls the "felicitous chemical reaction whereby sugar is converted into approximately equal parts of alcohol and carbon dioxide".<sup>[1]</sup> This conversion is triggered by the use of yeast to cause fermentation. As a production process, brewing is a relatively non-complex affair; simply a matter of preparing the raw materials in such a way as to create the necessary sugar for the fermentation process itself. Writing in 1940, Lloyd-Hind argued that if the Queen's College brewer of 1340 was to visit a brewery some six

hundred years later he would find "the processes remained the same; the difference consisted of the environment in which they were carried out, the machinery brought into use and the revolutionised outlooks on the causes and meanings of changes from barley to beer".<sup>[2]</sup>

Brewing, therefore, can be reduced to a few basic steps. One text, for example, says that the making of beer involves three distinct processes :

- 1 The preparation of malt.
- 2 The preparation of the wort, or fluid which is to be fermented. This stage may be divided into a) the mashing process, or mixing of the ground malt with hot water and its sacchrification; b) boiling and hopping the wort to destroy the diastase; c) cooling the wort.
- 3 Fermentation of the wort and the storage of the resulting beer.<sup>[3]</sup>

For the first stage, that of malting, barley became accepted as the basic raw material by 1735.<sup>[4]</sup> The starch in barley is converted into sugar by the enzyme diastase created when germination is promoted. This was done by soaking the grain, spreading it out onto a malting floor and turning regularly to aerate. When germination occurred it was then arrested by controlled drying in a kiln whereby the diastase was formed and preserved. Some firms specialised in this process of malting exclusively. The next stage in the manufacture of beer is mashing, where the malt is crushed and mixed with hot water in a mash tun. Under these conditions the diastase acts quickly to convert the starch into sugar. The liquid is freed from the spent grains and this wort, as it is known, is then boiled with hops which impart both flavour and preservative qualities. The hopped wort is then cooled ready for the addition of yeast and fermentation. When fermentation has taken place the excess yeast is removed from the beer, a process known as cleansing.

Brewing was therefore a series of linked and relatively straightforward tasks which allowed it to be operated on a craft basis and yet also lent itself to the



application of mechanisation and other scientific and technical developments.

### 1.2.2 *Technical Progress*

The rate of technical progress achieved in the brewing industry by 1869 – or at least the potential for such – was linked, if imprecisely, to inventive activity. The degree of inventive activity may itself be gauged from patent statistics. Scamell, a professional brewer and consultant, listed patents lodged up to the date of publication of the second edition of his book in 1880.<sup>[5]</sup> From this can be extracted information on a total of 610 patents for the period 'pre 1700' to 1869, but the pace of inventive activity had increased so dramatically after the mid-nineteenth century that 74% of the patents fell in the period 1850–69. The 451 patents Scamell lists for 1850–69 can be analysed to show the main focus of invention in the two decades up to 1869 (Table 1).<sup>[6]</sup>

*Table 1 : Brewing Patents Registered 1850–1869*

| <i>Category of Activity</i>                    | <i>Percentage of Total</i> |
|--|----------------------------|
| Attemperators and refrigerators                | 20%                        |
| Malt and hops; their treatment and substitutes | 17%                        |
| Malt mashing and mixing, and extracting worts  | 12%                        |
| Hop and yeast presses                          | 7%                         |
| Boiling  | 7%                         |
| Fermenting                                     | 6%                         |

Source : Scamell, G., *Breweries and Maltings : Their Arrangement, Construction, Machinery and Plant*, 2nd Edn., Revised by F. Colyer (London 1880) pp. 137–78.

What is clear from Scamell's listings is that until around 1840 patent registration was spread thinly over the many stages of the brewing process. From then on there was not only a general increase in activity but a growing concentration of such activity in certain areas. Thus the patent statistics highlight the changing focus of brewers' attention and illustrate the shifting emphasis onto greater precision and control rather than simply mechanisation. However, it must be recognised that many registrations contained only minor refinement or alternative ways of performing the same task. Nor does it follow that an invention was produced or, if produced, that it was necessarily taken up by many brewers. It is likely that the absolute number of patents far outstripped the real number of adoptions and thus the rate of innovation.

No information exists to identify the technical development of brewing practice within the North East in 1869. Nor is information available on the position of the industry nationally. However, we can get some impression of the general state of technical innovation — the 'conventional wisdom' around 1869 — by reference to citations of particular developments in the descriptive accounts of the industry given by historians and in practical brewing works of the time. From such sources, for instance, it is clearly evident that technical developments were being exploited in the methods for ensuring that malt and water were thoroughly mixed. The increased use of steam in breweries encouraged the development of mechanical mashing, and then in 1853 came the important arrival of Steele's masher.<sup>[7]</sup> Innovations were also being introduced in the design and heating of coppers. Some brewers had preferences with regard to the shape of coppers, particularly the question of whether they be open or domed. The brewing publications of the time, however, treat a lot of these controversies as unimportant or matters of fashion. When it came to the heating of coppers, Amsinck, writing in 1868, said "that it can be of little consequence, whether the wort is boiled by the agency of steam, or by

fire of coal as long as it does boil. I have heard of the word electricity named, but this is almost too farcical to repeat"<sup>[8]</sup>

Throughout the nineteenth century an area of great technical advance was that of cooling the wort, which allowed brewing to continue through the summer months.<sup>[9]</sup> Baxter<sup>[10]</sup> selects from the Abridgements of Specifications to indicate the many and continuous efforts made to improve cooling methods and another historian of the industry writes of his temptation to call the nineteenth century the 'Century of Refrigeration', arguing that "no inventions that man has made have had more profound effects on brewing than have a series of innovations which led progressively to temperature control of the process".<sup>[11]</sup> Back in 1868, Amsinck's view on refrigerators was that "there has been of late a degree of madness, scarcely a day passes that some new invention has not been brought before the notice of the trade".<sup>[12]</sup>

The appearance of refrigerators made a significant impact on the timetable of brewing. The cooling of wort in shallow tanks, even with the old methods of fanners or air propeller, took a considerable time. By the time Scamell wrote in 1880 cooling methods using tanks or vats were considered unnecessary, but brewing writers remained divided about the best method of 'cleansing' the fermented beer. Many firms still adopted the old system of cleansing casks by resting on stillions, allowing the yeast to find its way into the stillion and the casks topped up by hand.<sup>[13]</sup>

With regard to motive power in breweries, some attempts have been made both to identify and quantify the adoption of steam power by breweries but much of the information is incomplete and a true picture is impossible to obtain.<sup>[14]</sup> In the North East there is little concrete evidence available of the adoption of steam but it is arguable whether, in the early years, many brewers felt the same competitive pressure or had the output level to make a steam engine worthwhile. Mathias states

that "few brewers thought seriously about an engine until annual production was well over 20,000 barrels".<sup>[15]</sup> In County Durham in 1829 there were said to be 47 brewers who produced 36942 barrels of strong and 13898 barrels of table beer. Since this represents an average of 1081 barrels per brewer it seems unlikely, even allowing for the possible distribution around this mean, that there would be many brewers, if any at all, in the county at that time who were achieving the sort of output that would make the use of a steam engine a worthwhile proposition on Mathias's basis.<sup>[16]</sup>

There is, however, some evidence of steam engines being used. In 1801 the Gateshead brewery of McCleod & Sons was described as one where "Mr McCleod has lately erected a steam engine in his brewery, by which malt and grain in large quantities are ground."<sup>[17]</sup> In 1835 the South Shields brewery of Wood possessed an engine but a relatively advanced brewery, Matthew Taylor's of Swalwell, was still entirely horse-driven until 1845. Nevertheless, it seems to be the case that many North East brewers were operating steam engines around 1869.<sup>[18]</sup> An important by-product of the steam engine's entry into brewing was the creation of a bigger role for engineering and an increased interest in the industry by engineers. Steam was not only significant as the new form of motive power it brought to brewing but also for changing the outlook of the industry away from its emphasis on wood technology to a more sophisticated awareness of engineering.

Another source of technical advance in 1869 lay in the potential offered by the use of the thermometer and hydrometer, which added a new element of precision to brewing. But such innovations, as Mathias points out, were not the result of recent inventions but "more the quick-witted adaption to industrial use of instruments already known in scientific circles".<sup>[19]</sup> The general adoption of these instruments was slow, as was the embracing of scientific methods generally. By 1869, however, leading brewers were beginning to employ trained chemists but an

adherence to old craft knowledge and suspicion of science was still prevalent. On joining Worthington in 1866, H.T. Brown, who had studied at the Royal College of Chemistry, found that :

certain rigid rules had been laid down for the guidance of the brewer and maltster which were assumed to have been so far sanctified by experience and tradition that to throw the least doubt on general applicability laid one open to the terrible charge of being a theorist.<sup>[20]</sup>

When Brown pressed for the establishment of a laboratory he came up against the head brewer who "was one of the old school of practical brewers" who "distinctly discouraged any suggestions I threw out as to the desirability of fitting up a small room for the purpose".<sup>[21]</sup>

Whatever the speed at which knowledge was developed or practically applied there were some significant contributions to the scientific knowledge of brewing in the first half of the nineteenth century, even if the impact was not felt until later. The circumstances under which fermentation took place had been known and exploited for centuries, but little was known about the precise process until a real breakthrough in understanding was made with Pasteur's work, begun in 1854.<sup>[22]</sup> But by 1869, despite growing recruitment of chemists, there was little in the way of scientific knowledge being applied to the industry. The brewing literature at the time was thought inadequate at disseminating knowledge. Brown recalled that he was unable to find anything helpful in the "supposed authoritative sources", whilst one particular text was "worthy of a place in a museum of fatuous work on brewing".<sup>[23]</sup>

### ***1.2.3. Working Arrangements in the Brewery***

A useful picture of the arrangements in a working brewery in the North East in 1869 is given in a contemporary newspaper account.<sup>[24]</sup> The Hexham Old Brewery had been built in 1773 on a 100 year lease, but closed in 1857 with suggestions that it was to be converted into a woollen factory or blastfurnace. However, it was re-opened as a brewery by Ayton & Co. in 1866 and completely re-modelled. The malting portion of the building was of three storeys in height but most of the premises were of two storeys. In 1869 the malting section consisted of three suites of malting ranges and three steeping cisterns with capacities of 14 quarters of barley each. Malt was stored and ground in the basement and lifted by chain and bucket elevators to hoppers directly above the brewery's two mash tuns.

Steam power was used to pump water into a "capacious brewing liquor boiling back" in which it was boiled by steam. The boiling back was placed alongside but above the mash tuns, one of which could deal with 16 quarters of malt and the other with 4 quarters. The liquor from the mashing went to the wort boiling copper, described as a "capacious cauldron... capable of boiling 70 to 80 barrels of wort", and was then put through a hop drainer. From there it passed into a cooler fitted with Morton's patent refrigerators which cooled 30 barrels per hour, and on into six 35-barrel fermenting guiles and large, shallow tanks called flattening squares. Casks were filled in a 66 feet by 36 feet basement and stored in another similar sized cellar.

"Every possible operation" — which included lifting, carrying and cleaning — was done using steam supplied by the main boiler in the centre of the brewery. A 10 horse-power horizontal engine worked the malt mill, malt elevators, all pumping gear and fed its own boiler with water heated to boiling point by its own waste steam. The engine also ran lemonade machinery as well as a hay cutter and horse-corn crusher. Water was drawn from a 23 ft well.

The Old Brewery brewed twice a week, the two brewings giving a weekly output of 150 barrels. Eighteen men were employed in the brewery itself and another four dealing with wines and spirits. Six horses were used, which was fourteen fewer than under the previous operators, but Ayton & Co. now had the help of the "iron highway". The only deficiency recognised by the firm in 1869 was the "want of gas works on the premises which would command more light".

Thus it was that the recently—remodelled Hexham Old Brewery of 1869 illustrated the state of the art for what was probably an unexceptional regional brewer. And here can be seen the main themes of brewing that were emerging by 1869 : the extensive use of steam both as a form of motive power and as a method of heating liquor; the arrangement, where possible, of processes and equipment that take advantage of the law of gravity; the emphasis placed on refrigerating machinery; the reliance on the brewery's own water supply; the diversification into aerated waters, wines and spirits; the continuing labour—intensity of brewing; and the growing influence of rail transport.

### ***1.3 THE NORTH EAST BREWING TRADE***

#### ***1.3.1 Types of Brewer***

As the nineteenth century began the output of beer was not concentrated in the hands of the wholesaling 'common brewers' but was also shared amongst beer—retailers, publicans and private home—brewers. As the century progressed, however, brewing became more industrialised.

The brewing publican, characterised by Vaizey as one whose "methods were archaic and his product often inferior"<sup>[25]</sup> still accounted for 40% of national beer output in 1841, but this was to fall to 27% by 1870. The brewing publican had, however, been rarer in the North East than nationally. In 1851, the percentage of licensed victuallers brewing for themselves in Durham was 20% and in Newcastle

7.5%.<sup>[26]</sup> These are low in comparison to other areas, allowing Baxter to conclude that Durham and Newcastle were amongst "those collections with the greatest dependence on the common brewer".<sup>[27]</sup> One suggestion put forward to explain the lower incidence of publican—brewing in the region was the "bootlegging trade in whiskey (sic) along the drovers' roads".<sup>[28]</sup> What is not clear, of course, given the absence of statistics, is the degree of dependency on home brewing.

Nonetheless, the brewing publican had been important. His demise came, as it did elsewhere, when the more commercial and wholesale—conscious brewers in the more populous towns exploited the potential for technical improvement to produce a better product and enjoy scale economies. This, of course, happened earlier and in a more pronounced fashion in the larger centres of population. An indication of this process was given in evidence to Parliament in 1830 when one small—scale brewer discovered that

the golden gains said to be attached to brewing were all a delusion and that those gentlemen who could deal so much larger and buy so much larger could undersell me, and that I could buy better and cheaper of them than by manufacturing the article myself.<sup>[29]</sup>

As the brewing publicans' numbers declined the number of commercial brewers rose only slightly (Table 2). A situation, albeit temporary, was thus created wherein the more technologically—based brewer was expanding his market share and yet in the rural areas particularly, many of the small craft—based undertakings could continue to survive. The disappearance of the craftsman brewer was, however, underway by 1869 but the shift towards commercial brewing was not yet a movement of big brewers as Wilson's analysis of brewers' licence returns shows (Table 3).



**Table 2 : Average Number of Brewers in England & Wales 1851–1870**

| Years   | Wholesale<br>Brewers | Licensed<br>Victuallers | Beer-on<br>Retailers | Beer-off<br>Retailers |
|---------|----------------------|-------------------------|----------------------|-----------------------|
| 1851–5  | 2377                 | 25912                   | 13277                | 901                   |
| 1856–60 | 2244                 | 24816                   | 11631                | 823                   |
| 1861–5  | 2262                 | 22800                   | 10740                | 599                   |
| 1866–70 | 2365                 | 20128                   | 9702                 | 484                   |

Source : Wilson, G.B., *Alcohol and the Nation* (London 1940) Table 13, p.368.

**Table 3 : Number of Brewers Classified by Size in 1870**

| Barrels Brewed              | Number of Brewers |
|-----------------------------|-------------------|
| Under 1000                  | 26506             |
| 1000 and under 10,000       | 1809              |
| 10,000 and under 20,000     | 210               |
| 20,000 and under 100,000    | 128               |
| 100,000 and under 500,000   | 23                |
| 500,000 and under 1,000,000 | 3                 |

Source : Wilson (1940) p. 49.

For the brewing industry in the North East the absence of published statistics for the period makes it necessary to reconstruct a picture of the industry from a variety of available sources. We cannot expect from such sources to produce a completely accurate account of brewing in the region and the very nature of the unrecognised faults or gaps in the information ensures that we will never know the extent of the deficiency. Nonetheless, a workable sketch of the industry in 1869 is possible,

although in some cases, particularly when the lack of information forces reliance upon directory entries, there may be some uncertainty.<sup>[30]</sup>

### ***1.3.2 The Structure of the North East Brewing Trade***

By using directories, local press advertisements and subsequent company material, it is possible to identify 152 brewers operating in the counties of Durham and Northumberland around 1869.<sup>[31]</sup> The origins of about one-quarter of these can be traced from details largely given some time later in prospectuses issued to accompany flotations, entries in illustrated directories published towards the end of the century, and obituaries of those connected with the trade. It is therefore inevitable that it is those brewers surviving well beyond 1869 about which most is known, although this information is by no means comprehensive.

The lack of complete information about all the brewers in the region in 1869 constitutes a form of natural selection which accords with this study, being concerned as it is with the industry's changing structure over time. Precisely how we judge the significance of a particular brewery undertaking in 1869 is a moot point, but one consideration must be how influential a role it had in the subsequent development of the industry. In this context, then, the lack of information about the large number of brewers operating in 1869, of which many disappeared shortly afterwards, does not handicap the overall study. But what it does do, of course, is preclude any attempt to define the stereo-typical brewery at that time : those breweries for which we do have information are, by virtue of their relative longevity, untypical of the rapidly falling total number. Nevertheless, we can profitably outline the background of those undertakings of 1869 for which details exist, a significant proportion of which survived for the following seventy years covered by this study.

*Table 4 : Brewers Operating in Northumberland & Durham c1869*

| Location         | Number of<br>Brewers | Location                            | Number of<br>Brewers |
|------------------|----------------------|-------------------------------------|----------------------|
| Newcastle        | 34                   | Locations with 2 breweries          |                      |
| Durham City      | 7                    | each; Hexham, Warkworth,            |                      |
| Sunderland       | 6                    | Ferryhill, Barnard Castle,          |                      |
| Gateshead        | 6                    | Houghton-le-Spring, Bishop          |                      |
| Morpeth          | 6                    | Auckland, Monkwearmouth,            |                      |
| Stockton         | 5                    | Chilton, Consett, Norton            | = 20                 |
| Hartlepool(s)    | 5                    |                                     |                      |
| North Shields    | 4                    | Locations with one brewery          |                      |
| South Shields    | 4                    | each; Wark, Ovingham, Wooler,       |                      |
| Darlington       | 4                    | Blyth, Howdon, Ovington,            |                      |
| Alnwick          | 3                    | Belford, Monkseaton, Wallsend,      |                      |
| Berwick          | 3                    | Rothbury, Haltwhistle, Allendale,   |                      |
| Bishop Middleham | 3                    | Walker, Willington, Anfield Plain,  |                      |
| Wolsingham       | 3                    | Tow Law, Seaham, Cockfield,         |                      |
| Seaton Carew     | 3                    | Billingham, Blackhill, Easington,   |                      |
| Burnopfield      | 3                    | West Auckland, Blaydon, Winlaton,   |                      |
|                  |                      | Hetton-le-Hole, Usworth, Swalwell,  |                      |
|                  |                      | Timdon, Wingate, Chester-le-Street, |                      |
|                  |                      | Rainton, Castle Eden, Satley        | = 33                 |

**Source :** *Mercer & Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle* (1868); *Walker's Durham Directory and Almanack* (1869); *Christie's Newcastle and Gateshead Annual Directory* (1870); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Sunderland* (1869–70).

Table 4 shows the geographical distribution of the 152 brewers in 1869. The regional capital, Newcastle, had the largest number of brewers and the most important in 1869 was Bells, Robson & Co. Their Tyne Brewery, as it was called, had operated throughout the century under a variety of partnerships. In 1867 it moved from the Sandgate area to a newly-built brewery in Bath Lane which was said to be "the largest premises that had ever been erected for brewing purposes in the North East of England".<sup>[32]</sup> Other long-established breweries in the city were the Hanover Square Brewery, occupied by Robert Fletcher but dating back to 1790, and the Manor Brewery, founded in 1818 and coming under the ownership of Ridley & Cutter in 1863. In 1869 J.S. Arnison was running the Sandyford Brewery, recognised at the beginning of the nineteenth century as "a very large brewery ... of long-standing". The Leazes Brewery was begun in 1837 by C.B. Reid and it was his son, W.B. Reid, who acted as managing director and eventually took over the firm.<sup>[33]</sup> Elsewhere in Newcastle, John Sanderson of the Haymarket Brewery had learnt the trade with another brewer before going into business on his own account in the 1850s, Robert Newton had taken over the Victoria Brewery in 1848, and John Sutter was apprenticed to the plumbing trade before moving into the licensed trade and acquiring the Elephant and Castle and its adjoining brewery. Robert Emmerson, however, had just begun brewing in 1869 at the Flying Horse Brewery.<sup>[34]</sup>

Another major brewing centre was Sunderland, where R. Fenwick & Co. were the oldest survivors, having been founded in 1770. The Fenwick family also owned the brewery at Chester-le-Street, had owned the Bishopwearmouth Panns Glasshouse since 1795 and were involved with bottleworks at Seaham Harbour. There is also some suggestion that R. Fenwick & Co. had an interest in a brewery at West Boldon, although there is no contemporary evidence for this.<sup>[35]</sup> The other notable Sunderland family were Vaux who are reputed to have been connected with

brewing in Sunderland since c1805. They certainly established their own brewery in 1837 in Matlock Street and by 1844 had purchased better premises in Union Street. In 1875 the area was chosen for the new Central Station and Vaux transferred to a purpose built brewery in Castle Street.<sup>[36]</sup> Bramwell & Scurfield were established in the 1790's in Sunderland's then brewing centre of Low Street, but moved in 1827 to the Wear Brewery on the site of the old Bishopwearmouth waterworks. Amongst other brewers in the town in 1869 was John Smurthwaite who acquired the Mark Quay brewery in 1868. For many years before that Smurthwaite had been a shipbuilder, shipbroker and wharfinger. Another recent undertaking in 1869 was the Queen Street Brewery of William St. John. As a boy, St. John had entered the office of R. Nesbitt, a brewer and spirit merchant, for whom he worked for 25 years, many as manager. He left to go into partnership as St. John & Barrett, and then went off on his own, adding hotels and brewing to his wine and spirits business.<sup>[37]</sup>

Another important brewing town was Gateshead. As early as 1799 Barras's was described as a "well—accustomed brewery and malting business".<sup>[38]</sup> By 1869 Barras & Co. was being run by C. Reed, who had married into the family, became involved with the brewery in 1848, and after the demise of the Barras line had leased the brewery from the Barras trust since 1861.<sup>[39]</sup> Two other Gateshead breweries, Rowell's and Tucker's, had been in their respective family hands since 1840 and c1845. At the nearby Swalwell Brewery the Taylors had brewed since 1765, with the fourth generation of the family taking charge in 1866.<sup>[40]</sup>

In Northumberland, Morpeth could claim to be an important brewing centre with as many breweries as Gateshead and Sunderland. At the New Brewery in 1869, A.M. Loades had recently taken over. He had joined his father, previously a traveller for a wine merchant, in setting up Wm Loades & Sons as ale and porter merchants in Newcastle. When T. Jobling retired from brewing in the late 1860s the Loades partnership stepped in. At the Old Brewery, which had been functioning

since at least 1826, Robert Fairley brewed. Also brewing in Morpeth were Addison & Potter, established in 1780. Their long term development, however, lay in Newcastle, where they operated as maltsters and hop merchants, and in Willington Quay where they had an expanding firebrick and cement manufacturing plant.<sup>[41]</sup>

In South Shields the Wood family were said in 1901 to have been associated with brewing for over 150 years, their brewery occupying the site of an early eighteenth century chemical works. The various generations of Woods had gone through a number of partnerships and in 1869 were trading as Wood & Maxwell. Close by at Tyne Dock, W.A. Falconar & Co. had taken over the Dene Brewery of James Kirkley, although the firm's main operations were at Howdon where they had been since at least the 1790s. On the north bank of the Tyne the Carr family entered the trade in the early nineteenth century at the Low Lights Brewery, North Shields. When the founder died in 1863 relatives shared the running of the firm which by 1869 was Carr, Ormston & Carr. The family also had extensive interests in pottery which pre-dated their entry into brewing.<sup>[42]</sup> At the High Brewery, North Shields the Allison brothers brewed as W.H. Allison & Co. but also operated from the Wear as J.J. & W.H. Allison of the Monkwearmouth Brewery.<sup>[43]</sup> In 1869 Bartleman & Crighton were operating as wine and spirit and ale and porter merchants in Newcastle, and running the Northumberland Brewery in North Shields. The firm was formed as a result of a merger between Bartleman's Northumberland Brewery and Crighton & Son's Preston Brewery. This partnership then took over Brummel & Gilpin, a firm made up of the recently separated ale and porter dealer's half of a firm of druggists and chemists.<sup>[44]</sup>

On the Tees at Hartlepool the Lion Brewery was being run in 1869 by William Waldon, whose father had built the brewery in 1852. In 1865 Waldon had recruited J.W. Cameron, a young man who had gone from Kirby Stephen Grammar School to complete a six-year apprenticeship at the Barnard Castle Brewery. In

Stockton, Kirk Bros. had been formed in 1840 to rent a small brewery and then built the Castle Brewery in 1856. Of the Darlington brewers, the Hinde family were the most prominent in 1869. They had been licencees before concentrating on brewing. George Hinde's sons had emigrated to New Zealand at the time of the Maori Wars to join the commissariat service and work on the movement of food to the troops. By the end of the 1860s, however, they had been recalled by their father to run the family brewery. Also in the south of the region, the Bishop Middleham Brewery was run by the Hodgson family in 1825 and was later joined by members of the Forster family with whom they were related.<sup>[45]</sup>

Elsewhere in County Durham, Fenwick & Story were brewing at the Chester Brewery which could trace its origins back to the latter years of the eighteenth century. The City Brewery in Durham had changed hands a number of times before being acquired in 1867 by Joseph Johnson, who moved into brewing having previously carried on an extensive business as a timber merchant at Hetton and South Dock, Sunderland. A year after buying the brewery, Johnson, in partnership with others, opened the Hamsteels Collieries. The West Auckland Brewery Co. had been formed in 1840 but by 1858 was in the sole hands of J.H. Tamplin who brewed at a farm, before leasing other premises. At Castle Eden, brewing began in 1826 in outbuildings of the Castle Eden Inn and it was not until 1850 that the Castle Eden Brewery itself was established, although the proprietor was described as a brewer and farmer. By 1869 the firm had become John Nimmo & Son, brewers and wine and spirit merchants. The Seaham Harbour Brewery had been founded by Thomas Chilton, who had earlier been engaged in farming and shipping; whilst at Houghton-le-Spring, the brewery of Robinson Bros. had been in family hands since 1754. Thomas Lamb had founded the Hetton-le-Hole Brewery in 1823 and was operating as a sole proprietor in 1869.<sup>[46]</sup>

In north Northumberland there were two well-established breweries in Berwick. The Border Brewery, with a history going back to around 1800, was being run in 1869 by Robert Douglas as a sole trader. Johnson and Co. had evolved from Carr & Co. and, as well as brewers and maltsters, were chemical manure manufacturers and coal merchants. In Alnwick, Thompson & Davison had operated the Alnwick Brewery from the late 1840s and Smart's Brewery had originally been part of a brewing, malting and rope and twine making business. At Warkworth, Lamb had acquired his brewery in 1860.<sup>[47]</sup>

Table 4 shows that in 1869 the organisation of brewing in the North East region still covered an extensive geographical area but brewers were concentrated in the larger urban areas, which effectively meant in the large markets on the lower reaches of the Tyne, Wear and Tees. In these latter areas were situated over 50% of the 152 brewers of 1869; and the important towns of Durham, Darlington, Morpeth, Alnwick, Berwick and Wolsingham also accounted for another 18%. But whilst Table 4 highlights the urban-based pattern of concentration, it also indicates the continuing survival of the rural brewer. In Northumberland, for example, beer was being produced at Haltwhistle, Warkworth, Wark, Ovingham, Ovington, Rothbury and Allendale. What Table 4 also demonstrates is that in County Durham small coalfield villages (for example, Anfield Plain, Willington, Chilton and Trimdon) housed brewers. Table 4 does indeed point to a strong urban concentration of brewing but in 1869 the overall picture of North East brewing geographically, as well as in terms of individual size of operation, was still one of diversity.



## 1.4 *PUBLIC REGULATION AND PUBLIC CONCERN*

### 1.4.1 *The Changing Public Climate*

Long before 1869 the sale of drink had become subject to the vagaries of public regulation and it was inevitable that brewers would increasingly concern themselves with this regulation and the ownership of their products' retail outlets.

In 1552 a statute had given Justices of the Peace the discretion to decide who would be given licences to keep a common alehouse and from that time, according to the Webbs, "the occupation became an exceptional privilege".<sup>[48]</sup> By the early nineteenth century, however, pressure for 'free trade' in alcoholic liquors developed strong influential voices. It became, say the Webbs,

almost an obsession of the mind of the very enlightened legislator, Tory and Radical alike, that every person ought to be left free to invest his capital and employ talents in whatever way he thought best; that cheapness and good quality could only be secured by an absolutely unrestricted competition; and that there was no reason why the number and position of public houses should not be left as free as those of bakers' shops.<sup>[49]</sup>

There were also other, less philosophical concerns. In particular, there was the belief amongst some temperance advocates that the way to greater sobriety was through the greater availability of beer which would then challenge the easy availability of spirits.<sup>[50]</sup> These motives, and the reports of Select Committees which recommended more tolerant approaches to licence applications, led to the 1830 Beerhouse Act. From then until 1869 the brewing industry flourished under an official policy of 'free licensing', as the Act effectively allowed any ratepayer to sell beer on his own premises without the need of a magistrate's licence. The beerhouse was thus created and the number of retail outlets grew.<sup>[51]</sup> There were some minor restrictive measures introduced later,<sup>[52]</sup> but the atmosphere within the industry remained one of free-trade.

From the outset, free—licensing attracted its critics. Some publicans were against the competition from beershops which emerged quickly and threateningly. Magistrates were often against this burgeoning of licensed premises. The anti—drink section of the temperance movement saw the act as dangerously permissive and their propagandists cited the deregulation of beer selling as the main cause of increased consumption. By 1869 the public climate had changed and an act of that year imposed fundamental changes that reimposed the pre—1830 restrictive licensing.

#### ***1.4.2 The End of Free Licensing***

The 1869 Wine and Beerhouse Act encompassed beerhouses, beershops and beer retailers and from hereon a justices' licence was required just as it had been for all other full licences. There were now eight types of licence which applied to the retailing of beer. The most important was the licensed victuallers' licence which permitted beer to be sold in any quantity for consumption on or off the premises. The beerhouse licence allowed sales in 'retail quantities' of beer, cider and perry for consumption on or off the premises, whilst beershop licences permitted similar sales but only off the premises.<sup>[53]</sup> A fourth licence in existence was an off—licence that had been introduced in 1861 for the so—called Swankey Shops. These had previously been allowed to operate without a licence but only dealt in 'table beer'. A fifth retailing licence had been created in 1863 when a beer dealer was allowed to pay an additional licence fee and thereby supplement his existing licence to sell minimum quantities with a licence to sell smaller, 'retail' quantities for consumption off the premises. Another three retail licences covered particular premises; places of entertainment, passenger boats and canteens regulated by the War Office. Table 5 shows the numbers of retail licences held in 1870.

*Table 5 : Beer Retailing Licences, England & Wales 1870*


---

|                                      |       |
|--------------------------------------|-------|
| Licensed Victuallers                 | 69895 |
| Beerhouses                           | 44501 |
| Beershops                            | 3078  |
| Table Beer Retailers                 | 1540  |
| Beer Dealers with additional licence | 3256  |
| Passenger Boats                      | 236   |

---

Source : Based on Wilson (1940) p.396.

Thus, by 1870, the justices had the power to refuse to grant or renew licences for all types of retail outlet. This was the chance many had waited for. Their own 'professional' misgivings about drunkenness and disorderly conduct, and the pressure and influence of temperance agitators, police and employers, led them to take what they felt to be appropriate action.<sup>[54]</sup> The first brewster sessions following the 1869 Act were reported as follows by the *Newcastle Daily Chronicle* :

Brewster Sessions held ... throughout the district were remarkable for this, that it was the first opportunity magistrates had fairly of dealing with the beerhouse question, and they seemed determined, as far as they could, to severely restrict this class of house; and for another circumstance, the determined hostility of large employers of labour, especially in the Jarrow, Hebburn and district for any further extension of public house licences. Messrs Leslie & Co. had no public houses within the property over which they have control. Messrs Tennant & Co. are making strenuous efforts to get rid of public houses in the neighbourhood of the works and workmen's dwellings, and Mr. Richardson, the proprietor of the Jarrow Paper Mills, is a strong opponent of the present licensing system. The Tynemouth County Magistrates on the Bench on Tuesday last, who were employers of labour, refused to grant any new licences in the extensive colliery districts within their jurisdiction.<sup>[55]</sup>

### *1.4.3. Organised Opposition*

The more restrictive licensing laws and their stricter application by the justices were symptomatic of a changing public attitude towards the beer trade, something which the brewers could not afford to ignore. Formal opposition was embodied in the temperance movement which had become a highly organised and influential pressure group. More particularly, a shift in emphasis in the mid-nineteenth century had switched the focus of temperance agitation away from consumption to all out attack on the producers and traders in alcoholic beverages.<sup>[56]</sup> By the 1850s the 'moral suasionist' approach had given way to the 'legal suppressionist' school. The prohibitionist United Kingdom Alliance for the Suppression of the Liquor Traffic in all Intoxicating Liquors was formed in 1853 and switched the attack from the evils of drink to the drink trade itself by advocating an interventionist role for the state in the elimination of drink supplies. In 1858 the North of England Temperance League was founded under the slogan "Total Abstinence for the Individual and Prohibition for the Nation". With many distinguished citizens involved, the League worked effectively to mobilise support for legislation and canvass local licensing benches.<sup>[57]</sup> At this stage the prohibitionists formalised their enthusiasms into a precise legislative objective called the Permissive Bill. This was to appear and reappear in many forms but all were based on the principle of an act being passed at national level which would empower each local district to vote, if it so desired, for the suppression of all licences within its boundaries.

The brewers and licensed victuallers, faced with the mounting public attacks upon them, the mass meetings and lengthy petitions presented to Parliament and put before brewster sessions, were forced to respond. Licensed Victuallers' Associations had been formed and were now required to organise and propagandise as effectively as the temperance agitators. Paradoxically, their first task in the late

1860s was to support calls for legislative changes to ensure greater control of certain licensed premises. It was well-recognised by the trade and brewers, who themselves were running beerhouses, that a lot of public and official antipathy towards licensed premises was based on examples of beerhouses which were generally less well conducted than those of the licensed victuallers. With this issue dealt with by the 1869 Act, there were more difficult legislative proposals to consider.

Although the first Permissive Bill of 1864 was defeated by 257 votes, by 1869 the majority against was down to 106 and then in 1870 fell to 31. This pointed to the way opinion was shifting both in Parliament and the country at large. Because of this the Home Secretary of the time felt able to introduce a bill<sup>[58]</sup> designed to reduce opening hours, introduce Sunday closing, appoint public house inspectors to ensure stricter regulations were adhered to, and ultimately reduce the number of licensed houses.

## **1.5 THE COMPETITIVE ENVIRONMENT**

### **1.5.1 Consumption**

In his work on the temperance question, Harrison considered why drinking had become so widespread in the nineteenth century amongst those social classes who could least afford it. Part of the answer, he argued, must be "the extensive social functions performed by drink and drinksellers".<sup>[59]</sup> Beer was a safe, thirst quenching drink available at a time when modern equivalents were either not easily acquired or, if available, were uncompetitively priced. It was also the case that workers in some industries regarded beer as indispensable, providing the energy and physical stamina required for many occupations. For example, a correspondent argued in a Tyneside newspaper in 1870 that in the iron and puddling trades "it is a physical impossibility to make men who are daily before hot fires work without beer".<sup>[60]</sup> But it was also the case, of course, that beer and other alcoholic drinks

were consumed by the less energetic professions and drink had an important role in all communities as a means of enhancing festivity. It was also argued that within the expanding factory system drink overcame the monotony of work and "fostered drunkenness by forcing migrant labour into a strange environment and by weakening traditional sanctions on conduct".<sup>[61]</sup> The same view was advanced at the end of the nineteenth century by the Chief Constable of Newcastle who suggested that the increase in male drunkenness "may be accounted for by the large numbers of labouring classes attracted to the city by tramway and railway extensions and other works".<sup>[62]</sup>

Table 6 shows beer consumption rising steadily from 1850–1869. Precisely what caused the rise is not entirely clear, although there is widespread acceptance of the view that it was something to do with the general state of the economy.<sup>[63]</sup> If real wages are taken as a proxy for general prosperity, then Table 6 supports the view that a rise in beer consumption from 1860 can be explained as a result of rising incomes and, therefore, the state of the economy. The temperance movement, however, argued that consumption was not demand led but that it was changes in supply following the introduction of 'free licensing' that had the major influence on consumption. But it may be a mistake to seek to represent consumption as being exclusively a function of the more obvious economic factors. This view is best summed up by Dingle who suggests that there was "a significant degree of autonomous consumption ... a manifestation of a deep rooted complex of social and cultural patterns of which drinking was an integral part".<sup>[64]</sup>

Housing conditions, for example, may have persuaded many to visit the public house to enjoy warmth and comforts not available in their homes. Licensed premises offered a relief from the overcrowded tenements that were common in many urban centres around 1869.<sup>[65]</sup> Rising beer consumption as real wages rose bears witness to the role of the public house as the only escape from squalid

surroundings. By the same token, however, as housing improved and leisure opportunities widened, there was a marked negative impact upon beer drinking.

*Table 6 : Beer Consumption and Real Wages 1850–69*

| Year    | Per Capita Consumption<br>(gallons) | Average Real Wage<br>(1850=100) |
|---------|-------------------------------------|---------------------------------|
| 1850–54 | 22.5                                | 101.2                           |
| 1855–59 | 22.0                                | 96.2                            |
| 1860–64 | 24.7                                | 105.4                           |
| 1865–69 | 28.8                                | 111.6                           |

Source : Hawkins, K.H., & Pass, C.L., *The Brewing Industry. A Study in Industrial Organisation and Public Policy* (London 1979) Table 2.1 p.17, based upon Wilson (1940) and Mitchell, B.R. & Deane, P., *Abstract of British Historical Statistics* (Cambridge 1962).

What aggregate and per capital consumption cannot indicate is the variation in drinking patterns between classes, sexes and regions. No contemporary investigations by social commentators were carried out or estimates of consumption made in the North East. The only evidence of regional drinking habits available were statistics for drunkenness convictions which showed the counties of Northumberland and Durham to have the worst records.<sup>[66]</sup> Some of this could, of course, have been due to the vigour with which the police and the local bench pursued their tasks, but the consistent relative position of the region and the fact that outside brewers regarded the region as an extremely valuable market suggests that beer consumption was perhaps higher in this region than many others.

### *1.5.2 Products*

At the beginning of the nineteenth century individual brewers produced individual products, but all their output fell within three broad categories : whatever the variations, what was brewed was either beer, ale or porter. Beer and ale were both brewed using malt, the distinction between them being that hops were added during the preparation of beer but not ale. By the middle of the nineteenth century changing tastes and techniques meant that brewers were more likely to be producing beer products rather than ales. Nevertheless, the term ale was still adopted by brewers and the public to describe certain products and it would seem that from then on the terms beer and ale became somewhat synonymous. A similar imprecision crept into the use of the term porter which became synonymous with the term stout.<sup>[67]</sup> So, by 1869, there was not only a wide range of brewery products but amongst those given the same general classification there could be great differences.

A striking feature of the brewing industry in the nineteenth century was the high degree of geographical specialisation which was reflected in generic terms such as London porter, Burton ales, Dublin stout and Scotch ales. Such specialisation was usually put down to differences in water supplies and there is no doubt that the water in certain localities was more suitable for some products than others.<sup>[68]</sup> But with the increasing interest in the chemistry of brewing it became apparent that the established pattern of production was not immutable and perhaps too much store was put on the conventional view about what could and could not be brewed in a particular location. This was certainly being questioned by the middle of the nineteenth century by writers of brewing treatises. Black, for example, stated that when it came to water "a great deal more importance is attached to this indispensable article than it perhaps deserves".<sup>[69]</sup> Ways of treating water to allow imitation of the most popular Burton and Edinburgh products were now possible.



Muspratt, writing in 1853, explained how it was possible to impregnate waters such that "the ale obtained from such artificial water has nearly equalled the renowned products of Burton".<sup>[70]</sup> Likewise, Amsinck said in 1868 that :

I have brewed in about fifty brewhouses, during the last ten years, I have of course met with a variety of water. With all these different waters, I have found no difficulty in producing first class Pale Ales, and Strong quite equal to Burton, in some instances, superior.<sup>[71]</sup>

In the North East in the early 1860s the breweries were using what were described as "the indifferent water supply of the immediate neighbourhood and the commonly partly-ripened barleys of the district"<sup>[72]</sup> to produce the local specialism called Newcastle Mild. This was said to be "a very sweet, dark-coloured ale with a sub-acid flavour" which at that time was "the common beer, in many cases the only beer, supplied in the houses of the district".<sup>[73]</sup>

### ***1.5.3 Imports into the North East***

As tastes changed in favour of the paler beers, North East brewers at first had difficulty brewing such beers and

in the course of time, the Burton and Edinburgh brewers pushed their sound, clear, and better-flavoured beers by the establishment of agencies in all large towns. Newcastle proved, as might have been prophesied, a very profitable ground to work, and rapidly became one of their chief centres of distribution.<sup>[74]</sup>

The initial limitations of local brewers, amidst changing tastes and the development of an extensive rail network, made the North East an attractive market for the leading Burton and Scottish brewers and the London porter producers. In 1852 it was claimed that beer made in Newcastle "did not amount to one-third of that brought from other places and consumed in the town and neighbourhood".<sup>[75]</sup>

By 1869 an agency system was well—advanced in the North East. Table 7 shows those breweries from outside the region but selling within it around 1869. These 'outside' brewers were able to adopt a number of methods for ensuring that their products reached potential customers. Some sent their own travellers to manage offices and stores, usually in Newcastle, whilst others appointed sole agents from amongst local merchants or brewers. 'Outside' brewers could also supply the network of ale and spirit merchants across Northumberland and Durham, many of whom would carry out the important function of bottling. For the larger, well—organised brewers these different methods of distribution were not alternatives. In order to meet the maximum market amongst both the licensed trade and home—consumers, a combination of these complementary methods was necessary.

*Table 7: Outside Brewers with Agencies in the North East c1869*

| Location of<br>Brewing Plant | Number of Brewers from<br>each Location |         |
|------------------------------|---|---------|
| Edinburgh                    | 22                                      | (i)     |
| Falkirk                      | 1                                       |         |
| Alloa                        | 4                                       |         |
| Seggie                       | 1                                       |         |
| Leith                        | 1                                       |         |
| Dundee                       | <u>1</u>                                | 30      |
| Newry                        | 1                                       |         |
| Dublin                       | <u>5</u>                                | 6       |
| Burton                       |   | 5       |
| London                       |   | 5       |
| Leeds                        |   | 2 (ii)  |
| Sheffield                    |   | 1 (iii) |
| Norwich                      |   | 2       |

All agents located in Newcastle except : (i) one in Sunderland (ii) one in Cramlington and (iii) in Stockton.

Source : *Mercer & Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle* (1868); *Walker's Durham Directory and Almanack* (1869); *Christie's Newcastle and Gateshead Annual Directory* (1870); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Sunderland* (1869–70); *Newcastle Daily Journal*, *Newcastle Courant* and *Newcastle Daily Chronicle* for 1869.

The brewery travellers usually operated single-handedly, often over large distances. F.M. Laing, Usher's agent for the 'northern counties', was required to travel as far south as Nottingham. Bass, on the other hand, seemed to expect their agents to work a smaller territory more intensively. J. Shorthose, Bass's agent, covered a radius of about 20 miles. He had joined the company in 1844 as a clerk and was sent to Newcastle to develop an agency in 1851. In that first year the total sales in the region were £1693 but fifty years later, when he was still the agent, the sales totalled £217,000. Bass moved their beer north by rail and had extensive stores in Newcastle's Trafalgar Goods Station. By 1870 one Yorkshire brewer, H. Bentley, was finding that his level of business on Tyneside made it necessary to move to "more commodious premises". At the same time, Bradley & Co. of Sheffield were about to enter the North East market by sending one of their long-serving employees to Stockton to become their first agent.<sup>[76]</sup> Some outside brewers appointed travellers from experienced agents within the region. The traveller for Newcastle's Northumberland Brewery, for example, was recruited in 1869 as agent by J.J. Morrison & Thomson of Edinburgh.<sup>[77]</sup>

A number of Newcastle brewers were appointed agents for outside brewers, providing them with the opportunity to extend the range of beers they were able to supply to their own houses and trade customers. Amongst these were John Sutter who became sole agent for Carmichaels and Messrs Young & Co. who operated in a similar capacity for the City of Dublin Brewery.<sup>[78]</sup> But for these and some other local brewers a sole agency was a prelude to a change in direction, eventually leading them away from brewing altogether. Bartleman & Crighton, for instance, although owning a brewery in North Shields, also dealt in the Burton beers of Bass and Allsopp, distributed Devonshire cider, imported Dantzic black beers and sold the London porter of Barclay, Perkins. By 1869 Wilkinson & Co. of the Westgate Brewery had abandoned brewing to act as sole agents for Campbell & Co., Courage

& Co. and D'Arcy & Co.<sup>[79]</sup>

The growing market for beers of other regions meant increasing business for the North East ale and porter merchants and also those wine and spirit merchants who doubled as ale and porter merchants. For many firms, acting as an agency for a brewer was but one aspect of their business. Fulton's of Edinburgh were solely represented by James Elliot of Newcastle who was essentially an importer of foreign wines and a cigar merchant. Another Newcastle businessman, J.J. Bell, had learnt the trade with ale and spirit merchants, Gilpin & Co. for nine years before setting up on his own account. He acted as sole agent for Ragget's London stout whilst, amongst other interests, manufactured aerated waters and imported Whenham Lake ice.<sup>[80]</sup>

By 1869, however, a number of North East brewers had developed products to compete against regional imports and a wide variety of beers were being brewed. The Tyne Brewery, for instance, was continuing to produce the traditional mild but was now also brewing East India Pale Ale, porter, stout and bitter beer;<sup>[81]</sup> products which corresponded to the specialities of Burton, London, Dublin and Edinburgh. This policy of 'import substitution' was followed by many local brewers who added a porter and a pale or bitter ale to their range. It was clear that the regional palate had come to prefer the brighter, more stable beers that outside brewers had introduced to the North East. Indigenous brewers, therefore, developed such products and emphasised those qualities that the public had found attractive in imported beers. Thus, whilst some brewers continued to advertise on the basis of strength,<sup>[82]</sup> most stressed the features much admired in Burton and Edinburgh ales. Bramwell & Schofield, for example, advertised their products as being "all of the finest quality, brilliant in condition and colour, rich in aroma, and unsurpassed for keeping quality".<sup>[83]</sup>

## 1.6 SUMMARY

By 1869, brewing in the North East had reached something of a watershed : change was abroad in the industry but had not yet made a significant impact. Technical advances and improved, scientific methods had gathered pace in the previous few decades, but their adoption by North East brewers appears to have been limited. Similarly, there was an emerging growth in size and a geographical concentration in the industry structurally, but brewing still remained well distributed across the region in a range of plant sizes. Change was perhaps more clearly evident in the competitive environment in which North East brewers operated. The outlets through which they supplied their products had become subject to much greater regulation but the demand for beer was growing steadily and the public was becoming much more demanding in a qualitative sense, with changing tastes, informed by increasing exposure to products from more progressive brewing areas, putting pressure on the region's brewers to improve their products and extend their range.

By 1869, however, there were signs of a more progressive brewer emerging in the North East, one who was responding to competitive pressures and attempting to meet the increasingly discerning local taste by replicating the popular beers from outside the region. Although the growing demand for beer helped shield the less imaginative or innovative brewer from extinction in the short term, it was those firms with a demonstrable willingness to be more enterprising that were to form the hard core of the industry's long-term survivors. Such firms were also recognising in 1869 that competition had to be carried forward from the production of beers and into the newly-restricted retail trade itself.

*PART TWO : 1870–1890**CHAPTER 2 : THE ORGANISATION OF PRODUCTION*

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## *CHAPTER 2 : THE ORGANISATION OF PRODUCTION*

### *2.1 INTRODUCTION*

It is misleading to write of the brewing trade 'nationally' as if it signified a high degree of homogeneity. In fact, brewing in the various centres of England and Scotland developed along slightly different paths. This was recognised by the trade itself and in particular a distinction was made between the brewers of Burton, London and the rest of the country. Implicit in much of the literature, however, is an assumption that all brewers, provincial as much as metropolitan, shared some common experience between 1870 and 1890.<sup>[1]</sup>

Structurally, the essential feature of the industry during the period was characterised as a process of concentration caused by the decline of the small brewer. In terms of the size and the internal arrangement of breweries, the period was seen as one where the larger brewers remodelled their facilities on more modern lines and also extended the capacities of their breweries. What the national pattern of change was, and how closely the North East brewing industry accorded with it, is considered below.

### *2.2 THE STRUCTURE OF THE TRADE*

#### *2.2.1 Closure*

The two decades after 1869 saw a marked decline in the number of brewers. Nationally, the process is shown in Table 8 which reveals an overall drop of 58% between 1870 and 1890. Table 9 summarises the structure of brewing in the region during the period 1870–90. Of the original 152 brewers in 1869, only 69 survived to 1890. In addition there were at least 13 new entrants into the industry during the period, 11 of which survived until 1890. This gave a total of 80 brewers operating in the region in 1890 compared with 152 two decades earlier, a drop of around 47%;



but the death rate amongst the original 152 was 55%, almost the national figure.

*Table 8 : Number of Brewers in each Size Category  
in the United Kingdom 1870–90*

| Barrels Brewed    | 1870  | 1875  | 1880  | 1885  | 1890  |
|-------------------|-------|-------|-------|-------|-------|
| Under 1,000       | 26506 | 22138 | 16770 | 12608 | 9986  |
| 1,000 – 10,000    | 1809  | 1864  | 1768  | 1537  | 1447  |
| 10,000 – 20,000   | 210   | 260   | 272   | 270   | 274   |
| 20,000 – 100,000  | 128   | 194   | 203   | 187   | 255   |
| 100,000 – 500,000 | 23    | 25    | 23    | 27    | 34    |
| Over 500,000      | 3     | 4     | 4     | 4     | 4     |
|                   | 28679 | 24485 | 19040 | 14633 | 12000 |

Source : Annual Returns of Brewers Licences (see p. 366 for full titles) 1870–1890.

*Table 9 : Summary of the Structure of North East Brewing 1870–90*

| Group | Category of Brewery   | Number of Brewers |
|-------|---|-------------------|
| A     | Breweries operating throughout the period under same ownership                                    | 49                |
| B     | Breweries operating both in 1870 and 1890 but with distinct change in ownership during the period | 20                |
| C     | Breweries operating in 1870 but ceased by 1890  | 83                |
| D     | Breweries beginning and ceasing operations between 1870 and 1890                                  | 2                 |
| E     | New entrants  | 11                |

Source : As Appendices 1, 2, 3 & 4.

Table 8 shows the broad, national incidence of closure within the different size categories of brewer, with the overwhelming emphasis being on the fall in numbers of the smallest breweries. Although the table indicates that this reduction took place to approximately the same extent in each decade (37% between 1870 and 1880, and 40% between 1880 and 1890), the trade itself put most of the blame for the growing concentration of the industry on Gladstone's replacement of the malt tax by a beer duty in 1880. In the first year of the new duty 4113 small brewers left the industry<sup>[2]</sup> (a drop of 25% in one year), but the claim that this is entirely due to the new measures ignores the trend already in motion and oversimplifies the process of closure.

Certainly, the imposition on brewers of a monthly collection of duty instead of the previous arrangement by which brewers bought duty—paid malt, often on long—term credit, may well have created cash flow problems for smaller brewers operating on the margin. Equally, the extra administrative burden imposed by the duty may have been enough to persuade the insecure craft—based brewer finally to withdraw from the trade. But the real cause of closure was an already existent underlying weakness in their competitive position which the new system highlighted and aggravated. The beer duty was levied on either the materials used or the gravity of the resulting worts, whichever was the most advantageous to the tax authorities, and it was assumed by them that a given quantity of materials produced a barrel of standard strength. It was here that the small brewer suffered if his materials were poor, his mashing process inefficient, or he was unable successfully to convert the full amount of worts into good beer. On the introduction of the 1880 Act, a correspondent quoted in a trade journal and writing on behalf of the great number of small brewers in his town, cited the "manner in which the manufacture of beer is conducted by them, ... the small capacity of their brewery

utensils and premises, ... the want of space and proper cooling power, especially through the limited quantity and high temperature of the water supplied them ..."<sup>[3]</sup> as putting them at a disadvantage. Towards the end of the decade the *Brewers' Guardian* spoke of the continued diminution in the number of brewers which began with the 1880 Act, saying that

"the decrease is mainly amongst the class of brewers who brew under 1000 barrels per annum; these small brewers who are also beer retailers, find that neither the quality of the beer they brew nor its cost of production enable them to compete with the large brewers, and consequently by degrees they are retiring from the trade. The next class of brewers, who brew under 10,000 barrels per annum, that is those who work about a 5 quarter plant, are numerically declining; a few manage to increase their trade, but far more fall back into the smallest grade, eventually to be obliterated altogether. The next class, the medium-sized brewers, producing from 10,000 to 100,000 barrels, that is with from 8–80 quarter plants, are apparently holding their own. The very largest concerns are holding their own."<sup>[4]</sup>

In the North East, only 69 breweries (categories A and B, Table 9) of the 152 thought to be operating in 1869 were still brewing by 1890. There were therefore 83 deaths during the period. However, in order to make the task of analysis more manageable, we have eliminated from our study the eighteen breweries about which doubts existed as to whether or not they were actually brewing c1869 or, if they were, ceased brewing immediately afterwards.<sup>[5]</sup> We therefore concentrate on those 65 brewers known to be brewing in 1869 and known to have stopped by 1890. These disappearances from the trade are sufficiently well documented to permit analysis and point to certain factors at work.

Appendix 1 identifies the group of 65 and the date, or approximate date, when they ceased brewing. Table 10 analyses these closures as to the decade when they closed and the reason for closure when known. Financial problems inevitably

account for a proportion of closures. In the 1870s, for example, bankruptcy meant the end of the County Brewery, Newcastle and the brewing activities of Oyston at Ferryhill.<sup>[6]</sup> Financial failure also hit the long-established Hindmarsh & Co., which had originally operated at Panns Quay but switched to the Wellington Brewery in the east of Sunderland. In 1880 a petition for liquidation was filed, the creditors resolved to wind up the company and the plant was put up for sale in a series of unsuccessful attempts to sell the brewery for use as sawmill, foundry or conversion to housing.<sup>[7]</sup> Another failure in 1880 was that of E. Huntley who brewed in property belonging to the Felling Chemical Works.<sup>[8]</sup>

*Table 10 : North East Brewery Closures 1870–1890*

| Cause                     | 1870s | 1880s | Total |
|---------------------------|-------|-------|-------|
| Financial problems        | 4     | 3     | 7     |
| Liquidation               | 1     | 4     | 5     |
| Death                     | 2     | 3     | 5     |
| Dissolution/retirement    | 5     | 4     | 9     |
| Transfer of activities    |       | 2     | 2     |
| Moved into other branches | 3     | 4     | 7     |
| Publicans                 | 7     | 3     | 10    |
| Unknown                   | 12    | 8     | 20    |
|                           | 34    | 31    | 65    |

Source : As Appendix 1

A change in ownership proved unsuccessful at the Old Brewery, Morpeth, where R. Fairley brewed until 1873 when the Morpeth Old Brewery Co. was formed to take over the remaining twenty years of the lease. By 1878, however, the company had

decided upon a voluntary winding up. As happened elsewhere, it was impossible to attract the interest of a would-be brewer to facilities that had been worked unprofitably. Serious financial trouble also contributed to the withdrawal from business of George Fowler of Durham, albeit from an unusual quarter. He stood as surety for a rate collector and was required to pay over a considerable amount of money as a result of a bond he had signed.<sup>[9]</sup> Probably the most celebrated closure during the period was that of the Tyne Brewery which had been carried on by the Tyne Brewery Co. from 1874. By 1882 the firm had suspended brewing operations and put the premises up for sale. It was bought and refitted by J. Barras & Co., with the Tyne Brewery Co. holding on to most of its licensed houses and not finally going into liquidation until 1891.<sup>[10]</sup>

Liquidation, retirement and death did not of themselves mean inevitable closure, but when they came, as they did, at a time when conditions in the market left a shortage of potential new entrants willing to take over breweries as going concerns, they provoked closure. Thus it was that brewing ceased in Winlaton when James Elliott of the Ladywell Brewery went into liquidation in 1875, and the pattern was repeated elsewhere in the region.<sup>[11]</sup> A notable liquidation was that of Bartleman & Crighton, which was just one of the partnerships between Wm. Crighton and C.E. Crighton. It went into voluntary liquidation in 1879 and the brewing side was carried on by Wm. Crighton who himself went into liquidation in 1883. The brewing plant was sold, the brewery then being offered for rent as an empty building.<sup>[12]</sup>

Deaths of proprietors spelled the end of brewing at two important Newcastle firms. The Northumberland Brewery of Young & Co. closed in 1876 after the death of one of the partners and the Stag Brewery, occupying a large site in Percy Street, ceased brewing on the death of its owner, John Angus, in 1884.<sup>[13]</sup> It was a combination of both death and unsuccessful trading that led to the closure of

Newcastle's Grey Horse Brewery. When the owner, Wm. Elliott, died in 1875 the intended auction of premises was postponed when two members of his family made financial arrangements which allowed them to take over the running of the brewery. Within two years, however, the brewery was being offered for sale under powers made in the mortgage deed. Here again, the building proved difficult to dispose of and finally became the City Livery Stables.<sup>[14]</sup>

It was dissolution and death that ended brewing in Hexham. Here, Ayton & Co. of the Old Brewery had, in 1873, begun to produce their own lager, but within a year one partner had retired from the firm and in 1875 the remaining members dissolved the partnership. The brewery went to auction but was never purchased as a going concern. This left the town's other brewer, Thomas Pearson, as the only one within a ten mile radius. However, when Pearson retired in 1880 no brewer came forward to continue the business.<sup>[15]</sup> A similar situation arose in Wolsingham, which had been left with only two breweries after the disappearance of a third in the early 1870s, but both these closed within a year of one another a decade later. Following the death of the proprietor and a legal dispute within the family, the Wear Valley brewery went on the market in 1884 but never brewed again. Similarly, the neighbouring Wolsingham Brewery had been worked by the Hindmarch family for sixty years but when they retired in 1883 brewing stopped.<sup>[16]</sup> At the Rothbury Brewery, the Storeys had brewed for fifty years until they retired on the expiration of the lease in 1883. Not surprisingly, the landlord was unable to find anyone willing to rent this small, isolated brewery and eventually put it up for auction with other buildings as "suitable for conversion to workmen's dwellings by a speculative builder".<sup>[17]</sup> Retirement or dissolution was also the reason for the closure of a further three Newcastle breweries, two at Hartlepool and one in Durham.<sup>[18]</sup>

Some breweries ceased when their owners centred their brewing activities in

other locations. After Brown vacated the West End Brewery, Durham it was occupied by P.B. Junor, who had come from Scotland in 1873 to take up a post at the Houghton-le-Spring Brewery. In 1883 Junor left to take over the Tower Brewery, Tudhoe and the West End Brewery was adapted for the production of 'botanic beers'. The Tower Brewery had only been completed in 1871 when George Ogleby leased it from the Salvin estate. By 1877 Ogleby had retired from brewing and the remaining 95 years of the brewery lease was put up for sale, but the brewery stood idle until Junor moved there.<sup>[19]</sup> At the Horn's Lane Brewery, Sunderland, the partnership of Tysack & Forster was dissolved in 1874 on the death of Tysack. The brewery was then carried on by the Forster brothers whose principal premises were at Bishop Middleham. Efforts were made to sell the brewery in 1883 but it stayed with the Forsters and was used for auxiliary rather than brewing activities.<sup>[20]</sup>

In certain cases the closure of breweries signalled the end of manufacture but not the loss of a firm to the wider beer trade, as some abandoned their brewing interests to concentrate on wine and spirit and ale and porter dealing. George Cockburn, for example, had originally hoped to sell the Angel Inn and Brewery at Alnwick in 1874, but when this failed he stopped brewing, disposed of the plant and let the empty premises. He did, however, carry on as a brewery agent and wine and spirit merchant. Similarly, in Durham after the death of T.C. Forster in 1886, brewing ceased but his wife continued to run the wines, spirits and bottling side of the enterprise. Brewing ended at the Star Brewery, Monkwearmouth when wine, spirits and ale merchants Laing & Co. took over around 1884. The Allendale Brewery brewed until 1887 when the then manager formed a new firm to utilise the premises as a wine and spirit merchants, and although the Wallsend Brewery was still brewing in 1877, F.J. Mordue stopped shortly afterwards and concentrated on beer retailing and running his public house. The firm of Addison Potter appear to

have left brewing to look after their malting and other interests.<sup>[21]</sup>

Above all, in the context of the closure of brewing facilities, the period 1870–90 saw the decline of the publican brewer. This process nationally is shown in Table 11 which highlights the particular fall in the mid to late 1870s. A series of closures in the North East complies with this trend. Around 1874, breweries attached to five public houses in Consett, Tow Law and on Tyneside closed. In 1878, the Bulmer's Brewery at the King's Head, Easington closed, as did the brewery at the Fox and Hounds, Merrington. In both these cases the end of brewing was precipitated by the deaths of owners and the sale of property. Brewing continued at the Oak Leaf Inn, Newcastle and the Brandling Arms, Gateshead until the early 1880s. In Durham, Colpitts, who had entered brewing when he became licensee of the Puncheon Inn, carried on brewing until c1887.<sup>[22]</sup>

*Table 11 : Average Number of Licensed Victualler Brewers 1871–90*

| Years   | Number |
|---------|--------|
| 1871–5  | 18342  |
| 1876–80 | 14185  |
| 1881–5  | 8673   |
| 1886–90 | 7080   |

Source : Wilson, G., *Alcohol and the Nation* (London 1940) Table 13, p.368.

The ten public houses mentioned here were known to have been brewing in 1869 and therefore included in Group C of Table 9. There is also further evidence of the decline of the brewing publican in press advertisements. In the early 1870s a number of brewhouses adjoining licenced premises were described as unused or being put to alternative uses such as stabling or candlemaking. Other public houses with breweries which went on sale at the time (for example, at Gateshead, Houghton-le-



Spring, Bishop Auckland, Spennymoor, Greenside, Darlington and Durham) appear from subsequent directory entries to have ceased brewing on the change of ownership. Some breweries, like the Green Tree, Newcastle, disappeared when the houses were demolished and rebuilt.<sup>[23]</sup> On other occasions the licensed property could be acquired by a local brewer to add to his chain of public houses, and who would naturally have no need of the brewing facilities.<sup>[24]</sup> But not all public house breweries ceased operations in the early 1870s. At the Seven Stars, Ponteland, John Wilkinson had facilities for brewing 27 half barrels. This was small by the standards of the time, and when the property went to auction in 1877 it attracted no bids above the upset price of £2,000. Brewing then went on until 1881 when Wilkinson retired.<sup>[25]</sup>

Little is known about the remaining deaths of the c1869 brewers but directory entries and press announcements point to approximate times of disappearance. Some were small scale, small town or village-based brewers at Wolsingham, Haltwhistle, Morpeth, Easington and Trimdon, who did not survive long into the next decade. Another three breweries ceased production in Newcastle in the mid-1870s, and by 1880, other closures had taken place at Bishop Auckland, Ferryhill, Anfield Plain and Wingate. At Belford, a shopkeeper-turned-brewer reverted to her former role, and the Shieldfield Brewery, Newcastle changed hands at auction in 1878 but was only kept going for another three years. The early 1880s also saw closures at Stockton, Wark, Cockfield, Usworth and Durham City. A few years later Henry Milburn gave up brewing in Barnard Castle.<sup>[26]</sup>

The 65 closures for the period 1870–90 analysed in Table 10 show that the regional decline, like that nationally, divided reasonably equally between the two decades. However, when the actual dates are analysed we find that 20 of the 1880s closures occurred in the early rather than mid or late 1880s. Thus 83% of the closures between 1869 and 1890 had taken place by 1883, which follows the national

pattern of a higher death rate in the years immediately after Gladstone's Act. From the information available we cannot apportion blame for the closures on this particular piece of legislation except to say that as well as the unequivocal cases of financial failure, the willingness to dissolve partnerships and retire, along with the concentration of activities into more efficient plants or branches of the trade, all point to a growing awareness amongst brewers of the changing competitive environment. For some breweries, their underlying vulnerability may well have been confirmed by the introduction of the beer duty and it was certainly recognised by the market where there was an obvious refusal of entrepreneurs to enter the industry and take over these vacated breweries.

The national statistics show the vast majority of closures to be amongst small brewers, characterised in the trade press as being those who "were no doubt in a very small way of business, and struggled hard, often unsuccessfully, to eke out a livelihood with the aid of small plants" and "not fitted with the elaborate and perfect plant and machinery such is found in the largest establishments".<sup>[27]</sup> Amongst the North East closures the same pattern seems to be at work. Of the 65 deaths, 10 were publican brewers and another 19 village-based undertakings, all of which can be assumed to be small. Some closures were small brewers in urban areas already served by bigger, presumably more efficient outfits. For example, eight such breweries closed in Newcastle during the period and at least another dozen in various towns in the region that could be included in this category. In these cases the ability to compete was as much a function of relative size as absolute size.<sup>[28]</sup>

All closures cannot, however, be written off as part of this wave of small brewery closures. If we take a rule of thumb used by the *Brewers' Guardian*<sup>[29]</sup> at the time and regard a medium sized brewery as one of over eight quarters capacity, then some breweries which closed and for which the capacity is known cannot be classified as small. The Tyne Brewery Co. illustrates the danger of regarding all

closures as the result of small brewers falling victim to the fierceness of competition from bigger firms. This was a case of mismanagement and misjudgement; and far from being caused by smallness of scale or inadequate investment in plant, it was overambitious expansion that lay at the core of its demise. Two other breweries, firmly in the 'medium' class, were both in Wolsingham and both of some 10 quarters capacity.<sup>[30]</sup> The closure of the Wear Valley Brewery and Hindmarch's brewery were brought about in the first instance by the respective death and retirement of their owners. Why nobody came forward to carry on the business is explained not only by the general state of brewing but also a particular trend that appears to be emerging at that time : the geographical concentration of the industry and the decline of the isolated brewer. Output was not only becoming concentrated in fewer hands but in urban areas. This goes some way to explaining the termination of brewing at relatively well-organised and modern breweries such as those at Hexham and Allendale. By 1890 closures in the previous twenty years had meant the end of brewing in some thirteen towns and villages in County Durham and seven in Northumberland.

### ***2.2.2 Survivors***

Table 9 separates the survivors into those which continued in the same hands during the period and those which underwent changes in ownership. Since most of the brewers discussed in Chapter 1, section 1.3.2 came in the first two categories of Table 9, it is not intended to repeat that discussion here, except to point out some changes in location or command.

The 49 brewers in group A of Table 9 are listed in Appendix 2 and can be further sub-divided as in Table 12. In some established breweries, new generations took over the reins between 1869 and 1890. After the death of Robert Newton, the Victoria Brewery, Newcastle was run by his widow with the help of a partner. This

partnership was dissolved by mutual consent in 1882 and the founder's son took on the management. In Gateshead, Rowell's was run by the founder until his death in 1875 when his son assumed control and at Smart's in Alnwick a son took over in 1873 when the founder died. In the latter case, George Smart set about updating the brewery and converted an adjoining building into maltings, and by 1890 had also acquired and remodelled a number of licensed properties. In Stockton, the Castle Brewery was enlarged in 1876 when W. and T.L. Kirk, the next generation of Kirk brothers, took over; and at the New Brewery, Morpeth, William Loades' son became the sole proprietor on his father's death.<sup>[31]</sup>

In other breweries there were occasional, minor changes in partnerships. At the Wear Brewery, Sunderland, Scurfield left the Bramwell & Scurfield partnership in 1885 and the firm continued as Bramwell & Co. Similarly, at South Shields the Wood & Maxwell partnership was dissolved around 1875 and henceforth operated as Matthew Wood. The Border Brewery continued to be operated as a sole proprietorship until 1887 when Robert Douglas formed a partnership with William Henning who was brought from Germany to take over the management. With the death of J.B. Hodgson the Bishop Middleham Brewery became entirely owned by the Forsters, and around 1879 Fenwick & Story of the Chester Brewery became Fenwick & Co.<sup>[32]</sup>

*Table 12 : North East Breweries under the Same Ownership 1870–1890*

| Category of Brewery                                    | Number of Breweries |
|--|---------------------|
| Those well-established by 1870                         | 27                  |
| Those recently established in 1870                     | 5                   |
| Others about which little is known<br>of their history | 17                  |
|  | <hr/> 49 <hr/>      |

Source : As Appendix 2

Three firms, which had not been long-founded in 1870, survived until 1890. Robert Emmerson began brewing at the Flying Horse Brewery, Newcastle in 1869 and established the Burton Brewery around 1880. Emmerson retired from the partnership with his sons in 1883, the business being carried on by three sons and then later by two. At Newcastle's Manor Brewery, Ridley & Cutter became the owners in 1863 and the partnership became Ridley, Cutter and Firth in 1888. John Smurthwaite and partner acquired the Mark Quay Brewery, Sunderland in 1868 and was still brewing there in 1890 after four changes of partnership.<sup>[33]</sup>

The end of the period 1870–90 also saw the first hint that the more prominent North East brewery firms were to embark upon changes in their legal status. Blyth Brewery, which became the Blyth & Tyne Brewery in 1884, was, in 1889, drawing up an agreement which would form the basis of incorporation.<sup>[34]</sup> One brewery that did convert to a limited company in 1889 was Barras & Co. C.J. Reed continued to lease and run the brewery, with several partnership changes, until the Barras trust was wound up in 1882. On behalf of Barras & Co. he purchased nineteen licensed houses from the trust but moved across river to Newcastle to buy the Tyne Brewery. By 1889 C.J. Reed's interest in the

partnership was such that he was regarded as having 11,202 shares to the other six partners' 133.<sup>[35]</sup>

There are other survivors who went from 1870 to 1890 under more or less the same ownership, but about which little is known of their history or age. In some cases we can identify minor partnership changes due to death or retirement and directory entries can also be used to discover the approximate time at which ownership or management passed to another member of the family.<sup>[36]</sup> Amongst the survivors there is also the special case of the Hinde family of Darlington, who were involved in brewing in 1869 and 1890, but relinquished control for a period between. Their brewery had been sold in the late 1870s to a Mr. Buckle who presented it to his son, but it proved unsuccessful and the Eastbourne Brewery, as it had been christened, was put onto the market in 1884. The announcement of the forthcoming auction in a Darlington newspaper was read in California by T.P. Hinde, who bought the brewery and remodelled it in 1885 under the name of the National Brewery.<sup>[37]</sup>

In category B of Table 9 there are twenty breweries which survived the period 1870–90 but underwent at least one distinct change in ownership. These breweries are listed in Appendix 3. Precisely why these breweries changed hands is not clear in perhaps half the cases. However, it is possible from the remainder to identify several influences at work, with retirement and death at the root of a number of the changes. For example, at the West Auckland Brewery J. Tamplin had been in sole control since 1859, but in 1877 decided to retire from his active role and the West Auckland Brewery Co. was formed, taking a 21 year lease on the premises at a rent of £150 per annum. At the Lion Brewery, West Hartlepool, following William Waldon's death in 1872, the brewery and its 21 properties were leased by J.W. Cameron who had joined the firm in 1865. Retirement and liquidation also prompted changes at the Alnwick Brewery, the Ferry Brewery,

South Shields and the Hanover Square Brewery, Newcastle.<sup>[38]</sup> Two changes of ownership at the end of the 1880s were highly significant in that they heralded the entrance into large-scale brewing of the Deuchar family. In 1888, when the Allison resolved to hive off the Monkwearmouth Brewery after 55 years, it was James Deuchar who took possession. When he had first arrived from Scotland he became a publican in Gateshead and then formed a partnership to trade in wines, spirits, ale and porter. In 1874 Deuchar became owner of the Ridley Arms in Newcastle and a year later carried out extensions and alterations to the attached brewery and began brewing. Further improvements were made to the brewery in 1882 and another three licensed houses were bought in Newcastle. By 1888 he was ready to extend his brewing activities at Monkwearmouth. James Deuchar's brother Robert concentrated on developing his wine and spirits business and building up a chain of licensed houses until the opportunity came around 1888 to lease the Sandyford Stone Brewery. The brewery had been run since the 1860s by J.S. Arnison who by the mid-1880s had relinquished his interest in glassmaking and was preparing to retire from brewing.<sup>[39]</sup>

Other changes in ownership were brought on by financial difficulties. For example, the Wooler brewery and farm, owned by the Chillingham Estate, were vacated by J.D. Bell in 1878 and the plant offered for sale under distress of rent. Bankruptcy was responsible for changes at the Monkseaton Brewery, where D. Matthews & Son had acquired the brewery following T. Davison's bankruptcy in 1864. When Matthews died in 1879 the firm went into liquidation and the brewery offered for sale at £2,200. It was purchased by the partnership of Forster & Wood, but when this was dissolved Forster ran it alone until his own bankruptcy. Thus the brewery changed hands again in 1886 for £1,025 when it was bought by George Wright who was already brewing at Belford.<sup>[40]</sup>

In one change of ownership a wine and spirit merchant moved into brewing at a time when more brewers were moving in the reverse direction. When Renwick & Montgomery of the Lambton Brewery, Sunderland dissolved their partnership in 1874, T.E. Chapman & Co., wine and spirit merchants in the town since the late eighteenth century, took the chance to enter the trade. In another case, unique at the time, the Brunswick Brewery, Hartlepool was taken over by a newly-formed partnership from outside the region. In 1880 the brewery had been in a dilapidated state and was bought by Messrs. Nixey & Coleclough who immediately spent £20,000 enlarging and restoring the brewery. By the end of the decade they were preparing to incorporate with another local business.<sup>[41]</sup>

Two other breweries, both in County Durham, closed during the period on account of financial failure and were not to open again until the 1890s. The Rainton Brewery had been carried on by the Legge family for many years until vacated in 1883 when G.A. Nimmo, a manager for his family's firm of John Nimmo & Son, began working on his own account at Rainton. By 1885, however, Nimmo was bankrupt and, as attempts to sell the brewery failed, it stayed closed until 1897.<sup>[42]</sup> In Darlington, Matthew Hutchinson worked the South Durham Brewery until 1882 when the South Durham Brewery Co. was formed. Within two years the company had tried to dispose of the brewery and in 1885 a provisional liquidator was appointed and a compulsory winding up order made. However, a motion was introduced to stay the winding up and a scheme for reconstruction was prepared and approved by the creditors. When the court was petitioned for sanction of the scheme it ruled it was unable to do so but this was followed by an immediate and successful appeal against that decision. All efforts proved to be in vain, however, and by 1886 the creditors, aware that the reconstruction scheme had foundered, asked for the winding up order and the company offered no opposition. The brewery lay unused until 1894.<sup>[43]</sup>



The other breweries in this group of twenty changed hands in circumstances that are not entirely clear, although some clues as to when this happened are available. For example, J. Jamieson brewed at the Elswick Brewery, Newcastle until about 1877 when the brewery was then offered for sale on the instructions of the mortgagees. It was taken over by I.B. Wilkinson & Co. who were not new to the industry, having previously brewed at a smaller brewery in the east of the city. In another instance it is known that the Bank Brewery, Barnard Castle was taken over by the partnership of McLean & Co. in 1889. W.H. Mawson, a local wine and spirit merchant, was the principal partner who put up over four-fifths of the capital, but it was John McLean who was the experienced brewer. McLean managed the brewery, lived rent-free and received a salary of 25 shillings per week.<sup>[44]</sup> Like the majority of breweries that did not change hands, there were many within Group B that could point to a long history. Equally, when they did change hands the new owners were not necessarily strangers to the business. The new owners of the West Auckland Brewery, Monkseaton Brewery, the Brunswick Brewery, Monkwearmouth Brewery, Elswick Brewery, Blandford Brewery and the Lion Brewery, West Hartlepool had all previously brewed elsewhere. Similarly, the entry into the industry of wine and spirit merchants and licensed victuallers brought in people with wide experience of allied trades.

### ***2.2.3 New Entrants***

The region's brewers in 1890 include eleven post-1870 entrants to the industry, and details are available on some. These are listed in Appendix 4. The Victoria Brewery, Darlington was built in 1874 by Manners who in 1880 formed the Darlington Brewery Co. Around 1888 the brewery passed into the hands of George Kitchen of Leeds but he died a year later and the brewery was put on the market. The Tynemouth Brewery was set up by Openshaw Bros. in 1877 and also around

this time, in rural Northumberland, breweries were established at Felton, Harbottle and Belford. At Morpeth, the Hope & Anchor Brewery, used in the early 1870s by a grocer and wine and spirit merchant, was restored to its original purpose by Messrs. Hopper & Anderson. In Hartlepool, wine and spirit merchants, M. Rickinson & Son bought new premises and began to brew, and Plews of Darlington became another wine merchant to enter brewing, this time by combining with another side of the family with a brewery in North Yorkshire.<sup>[45]</sup>

In what was an uncompromising time for the creation of breweries, three new ones were established in the South Shields area; the Victoria Brewery, the Rekendyke Brewery and the Westoe Brewery. Two of these were opened by individuals already experienced in the trade : the Victoria Brewery was founded by a traveller for another South Shields brewer and the Westoe Brewery by someone who had worked for a Newcastle brewery and had latterly been brewer at the newly established Victoria Brewery.<sup>[46]</sup> But at least two new entries after 1870 had disappeared by 1890. One was Knights, Stocks & Co. of South Stockton. The company had been formed in 1881 to acquire the business of J.A. Knights but by 1884 a resolution was put to an extraordinary meeting to wind up the company. Much of the blame for the state of affairs — the company made a loss of £12,000 during the year — was put on the heavy investment in special plant and fittings for the production of lager beer. Sales had not justified the high outlay and a scheme for reconstruction was drawn up, but within a few years the brewery was up for sale. On a less spectacular scale, Welsh & Willey set up the Bleachfield Brewery, Winlaton shortly after 1873 but had ceased by 1878.<sup>[47]</sup> Such short-lived and smaller entries into brewing may well have been mirrored elsewhere in the region but the spasmodic and transient nature of these experiments at the time of the decline of longer established undertakings suggest that they would not be regarded as noteworthy and would tend to go unreported. It is quite possible, therefore, that

where dates of birth and death fall close to one another little is known of their existence.

#### ***2.2.4 Structure in 1890***

The structural change evolving in the North East brewing industry between 1870 and 1890 had been one of concentration, and this was to be accelerated by the wave of incorporation in the following decade. However, whilst the concentration of output into fewer hands was clearly the trend, the essential characteristic of the industry in 1890 remained one of diversity.

The overall pattern of change indicated by Table 9 is that of a dramatic reduction in the number of brewers since 1870, but the main feature of brewing in 1890 remained the overwhelming numerical dominance of the small brewer, accounting for some 83% of all firms. Thus, in the North East, for example, the Quarryburn Brewery and the Felton Brewery continued to operate in 1890, even though they were only a fraction of the size of the large-scale regional undertakings such as the Lion Brewery, West Hartlepool and the Tyne Brewery, Newcastle.

By 1890 breweries were heavily concentrated in the larger centres of population. Most brewing took place in the industrial towns with some breweries continuing to operate in a few market towns and villages. Table 13 shows the leading brewing towns of the region, whilst Table 14 shows those brewing centres of Gateshead, North Tyneside, Teesside, East and West Durham which were based around a cluster of nearby towns. Together, locations in Table 13 and 14 contain approximately three-quarters of all brewing facilities. If we add the brewery at Howdon to the Newcastle and Gateshead area figures we find seventeen breweries (nearly one quarter of the region's total) operating within a five mile radius of the centre of Newcastle.

*Table 13 : Number of Breweries operating in some North East Towns in 1890*

| Town          | Number of Breweries |
|---------------|---------------------|
| Newcastle     | 11                  |
| Sunderland    | 7                   |
| South Shields | 7                   |
| Darlington    | 5                   |
| Hartlepool(s) | 5                   |
| Gateshead     | 5                   |
|               | <hr/> 40            |

Source : As Appendices 1, 2.

*Table 14 : Number of Breweries operating within a Five Mile Radius of some North East Towns in 1890*

| Town               | Number of Breweries |
|--------------------|---------------------|
| North Shields      | 4                   |
| Houghton-le-Spring | 4                   |
| Stockton           | 4                   |
| Bishop Auckland    | 4                   |
|                    | <hr/> 16            |

Source : As Appendices 1 & 2

In Northumberland, three 'free-standing' towns, Berwick, Morpeth and Alnwick each had two breweries and no other breweries within five miles. In the Tyne Valley the breweries at Ovington and Ovingham were situated within two miles of one another but some eight miles from the nearest brewery within the Gateshead area. Table 15 shows the location of twelve breweries in the region which operated in areas where no other brewery existed within at least five miles.

***Table 15 : Towns and Villages with One Brewery operating in 1890  
and with No Other Brewery within a Five Mile Radius***

| County Durham    | Northumberland |
|------------------|----------------|
| Barnard Castle   | Belford        |
| Bishop Middleham | Blyth          |
| Castle Eden      | Felton         |
| Durham           | Harbottle      |
| Satley           | Warkworth      |
| Seaham           | Wooler         |

**Source :** As Appendices 1 & 2

The simple geographical distribution of the eighty surviving breweries understates the degree of concentration since many of the bigger breweries tended to be grouped together in the large urban areas, thus the concentration in output terms was much more marked.

## ***2.3 THE SIZE AND ARRANGEMENT OF BREWERIES***

### ***2.3.1 Size***

Table 8 shows the overall pattern of change, in terms of size, in the brewing industry as a whole between 1870 and 1890. A 62% fall in the number of smaller brewers (those producing less than 1000 barrels per annum), compared with only a 7% decline amongst all others, demonstrates the growing concentration of output in the hands of the larger firms and the accelerating decline of the long tail of small brewers.

By 1870 it had become the convention to express a brewery's size in terms of 'quarters', which referred to the number of quarters of malt that could be used at

one brewing. From contemporary press reports and directory entries, Table 16 has been constructed showing this standard measure for some North East breweries which brewed throughout the period 1870 to 1890, and also includes information on size available in the alternative form of barrels. A similar table for breweries which failed to survive the period under review is given in Appendix 5.

Whilst Table 16 and Appendix 5 indicate the range of brewing capacities and the size rankings for a number of different breweries, they do not provide anything approaching a complete or accurate picture of the size distribution of North East breweries for a number of reasons. Firstly, there is little information on what we know to be some important brewers of the time which is itself a reflection of the sources available. Secondly, where information is available, it may confuse capacity and output. Thirdly, different measures of size used in Table 16 and Appendix 5 are not strictly comparable. In the first case they cover a period of around twenty years during which the industry was changing rapidly. In addition, information provided in terms of brewings is incomplete without data about the number of brewings per week. Finally, any attempt at comparison between size in quarters and barrels fails for the lack of an acceptable conversion factor.<sup>[48]</sup> Nevertheless, despite the sparsity and inadequacy of the information, Table 16 and Appendix 5 confirm a general picture that emerges across the industry i.e. the largest factory-based brewers were in centres of population; breweries in isolated, rural areas were of a more limited capacity; and breweries attached to public houses were small scale. The vulnerability of the smaller brewer is also confirmed. What limited information is available, therefore, does seem to confirm the national experience.

*Table 16 : Brewing Capacities of Some North East Breweries  
1875–1890*

| Brewery                               | Year  | Quarters | Capacity<br>Barrels<br>per<br>week | Barrels<br>per<br>brewing |
|---------------------------------------|-------|----------|------------------------------------|---------------------------|
| Lion Brewery, West Hartlepool         | 1890  | 70       |                                    |                           |
| Tyne Brewery, Newcastle               | 1890  | 60       |                                    |                           |
| Chester Brewery,<br>Chester-le-Street | 1877  | 30       |                                    |                           |
| Border Brewery, Berwick               | 1890  | 25       |                                    |                           |
| Burton Brewery, Newcastle             | 1890  | 25       |                                    |                           |
| Robinson's, Houghton-le-Spring        | 1884  | 16       |                                    |                           |
| City Brewery, Durham                  | c1890 | 14       |                                    |                           |
| Alnwick Brewery                       | 1890  | 12       |                                    |                           |
| Felton Brewery                        | 1890  | 12       |                                    |                           |
| Ferry Brewery, South Shields          | 1880  | 10       |                                    |                           |
| Tower Brewery, Tudhoe                 | 1877  | 5        |                                    |                           |
| Westgate Brewery, Newcastle           | 1881  |          | 150                                |                           |
| Mill Dam Brewery, South Shields       | 1875  |          | 50                                 |                           |
| Monkseaton Brewery                    | 1879  |          |                                    | 32                        |
| Wooler Brewery                        | 1878  |          |                                    | 17                        |

**Source :** *Descriptive Account of the Hartlepools* (1894) p. 31; *Descriptive Account of Berwick* (1894) p.3; *Descriptive Account of Durham and District* (1894) pp. 30–32, 46–48; *Descriptive Account of Newcastle and District* (1894) p.126; *Newcastle Breweries Ltd. Prospectus*, (1890), Tyne & Wear Archives Service 2319/5; *Newcastle Daily Journal* 1.5.1875, 25.4.1877, 31.11.1878, 16.4.1879, 18.9.1880, 23.5.1881, 30.5.1891; *Alnwick Gazette* 24.5.1890.

### 2.3.2 Design and Layout

The period 1870–90 saw an increasing emphasis placed on the design and layout of breweries. With changing techniques and technology, the progressive brewers were required to rebuild, redesign or alter layouts. A new group of professionals emerged to advise on this process and by the end of the period the *Brewers Guardian* remarked that "we are indebted to architects and engineers for many great improvements in the arrangement and construction of our breweries"<sup>[49]</sup>

The nature of brewing as a process industry involving the movement of large quantities of materials, particularly liquids, made it desirable in financial and engineering terms to lay out plant in a way which would minimise pumping. The underlying consideration, therefore, became the exploitation of gravity. Strict adherence to the gravitation principle led to an idealised design whereby the water supply was to be pumped to tanks situated above all other equipment and working areas. Below the water tanks would be situated the hot liquor back and then, in strict descending order at different levels in the building, would be the mash tun, copper, hopback, coolers, refrigerators and fermenting areas. Such a 'pure' tower arrangement was modified in practice for a number of reasons.<sup>[50]</sup> This had to be so, of course, where brewers were using inherited buildings constructed before the gravitation principle was regarded as so important or which had not previously been used for brewing. In the 1880s Scamell, a consulting brewery architect and engineer, described the 'usual plan' as one where the original water descends through the plant until the hop back but the resulting wort is then pumped to coolers and continues through refrigerators for fermentation; thus significantly lowering the overall building height required.<sup>[51]</sup>

By 1889 the *Brewers' Guardian* was reporting that "the gravitation principle has been largely adopted in ... (breweries) of medium and small size",<sup>[52]</sup> and in the North East between 1870 and 1890 some breweries were built and many underwent



extensive alterations and re-equipping along such modern lines. Some of this activity took place early in the period. For example, the Tower Brewery was built at Tudhoe in 1871 and the three-storeyed Victoria Brewery was erected at Darlington in 1874 at a cost of £12,000. Also in 1874, Cameron's completely replaced their Lion Brewery with new buildings and plant, requiring brewing to be suspended for ten weeks. Other refittings took place at the Mill Dam Brewery, South Shields, over an eight year period up to 1875, and Fenwick's brewery at Chester-le-Street was rebuilt in 1877.<sup>[53]</sup>

Nevertheless, it was in the decade beginning 1880 that a number of major local breweries underwent remodelling and re-equipping in line with the gravitation principle. In 1881 the Alnwick Brewery was extensively altered to a pattern similar to Scamell's 'usual' model, having installed a three-throw wort pump which could return 300 gallons of wort per hour onto coolers at the top of the building. Likewise, Newcastle's Victoria Brewery was enlarged and redesigned around 1884 on the basis of three floors. On the top storey malt passed through the malt mill alongside the hot water tank, mashing and hopping took place on the malt floor below and the wort was then pumped back up to the top floor to the coolers before returning to the fermenting tuns on the first floor. The ground floor accommodated the engine room and storage areas. The Hanover Square Brewery was said to operate on the 'tower principle' and a description of the time bears this out. Water cisterns at the top of the building supplied the liquor copper below and the water passed to the mash tun with the brewing copper beneath it. The wort then ran on to coolers and through refrigerators to the fermenting tuns. An internal rearrangement of the Swalwell Brewery was carried out in 1889 by Wilson & Co. of Stockton and a 50 foot tower was also erected on the site of an old malt kiln. At the top of this tower was a 8000 gallon cistern to which well water was pumped. Accounts of the structure and layout of other North East breweries indicate that

some form of 'tower principle' was applied by leading brewers.<sup>[54]</sup>

Other local brewers underwent important structural alterations during the 1880s. For instance, at the Houghton-le-Spring Brewery of Robinson Bros., leading brewing engineers, Stewardson & Hodgson of Edinburgh laid down entirely new plant in 1884, and at the Blyth & Tyne Brewery brewing operations ceased for some time whilst a large amount was spent on refitment and enlargement.<sup>[55]</sup> In both these examples it seems likely that improvements took place along the lines being followed at other North East breweries and in the industry generally.

The gravitation principle implies compact sites for breweries but many other complementary activities in addition to the actual process of brewing had to be accommodated and as a consequence the sites covered by breweries could extend over large areas. This was especially so when breweries did their own malting, requiring substantial buildings to accommodate barley stores, steeping cisterns, malting floor and kilns. By 1890 many prominent brewers had maltings within their main premises and these of necessity were quite spacious. In Darlington, the Victoria Brewery had two malting floors of 114 feet by 52 feet and the Hanover Square Brewery, Newcastle had a large three-storeyed building. The maltings of Robinson Bros. at Houghton-le-Spring was a four-storey building embracing some 8000 square feet. Other maltings were sited alongside the breweries of Fenwick's, Joseph Johnson, W.H. Allison, Sanderson's, and the West Auckland Brewery (rebuilt in 1879). At Cameron's, a second malt kiln was built in 1884. Some other brewers (for example, Barras, St. John and the Border Brewery) produced their own malt but at premises away from their main brewing site.<sup>[56]</sup>

Another space-consuming feature of brewing was storage, which for the larger breweries meant considerable room to allow ale and beers to mature. Around 1890 Robt. Deuchar needed seven extensive basement vaults, the City Brewery at Durham had four large cellars, and Robinson Bros. stored their products in five

cellars and an area underneath the maltings which could accommodate 1000 barrels.<sup>[107]</sup> In Darlington, the Eastbourne Brewery, a relatively small undertaking, had a beer store measuring 78 feet by 24 feet, and new stores were added to the Victoria Brewery of Darlington in 1888.<sup>[57]</sup>

Amongst a range of outbuildings brewers built or extended during the period were stabling and associated buildings such as coachhouses and cartsheds. Of the larger breweries, the Tyne Brewery, Newcastle had stabling for 35 horses, although a number of smaller undertakings had stabling for only a handful of animals. Horses were, of course, very important in brewing, with Isaac Tucker of Gateshead, for instance, having 40 horses for cartage around 1890.<sup>[58]</sup> Other buildings attached to breweries included bottling plants, mineral water manufacturers, coopers' shops, managers' houses and wine and spirit stores. In addition, premises often included large yards and spare ground earmarked for possible future expansion. Taking all this into account it was inevitable that some firms occupied considerable sites. One of the biggest, and best documented, was the 1.7 acre site of the Tyne Brewery which in 1881 consisted of :

|  |                                   |
|--|-----------------------------------|
| Brewery with surrounding ground  | 2830 square yards                 |
| Joiners' shops, stabling, coach houses, coopers' shops, saddle room, cartshed, and vacant land | 1800 square yards                 |
| Offices, bottling rooms, stores and cellars  | 1445 square yards                 |
| 15 room dwelling house   | 230 square yards                  |
| Building and vacant land   | 1930 square yards <sup>[59]</sup> |

The Tyne Brewery site was extensive despite having no malting facilities : when brewing in Gateshead, Barras's operated maltings away from their brewery and they continued to use these same maltings after their move to Newcastle in 1884 and up until 1918. Sites of a similar magnitude to the Tyne Brewery were occupied by Vaux, Cameron's and Ridley, Cutter and Firth.<sup>[60]</sup> Some North East brewers

covered considerably less ground, and all sites within the region fell well—short of those of the major London, Burton and Scottish brewers.<sup>[61]</sup>

The need to be alongside reasonable transport facilities for the receipt of raw materials and distribution of beers meant that breweries often occupied not only relatively large but also prominent sites within the neighbourhood. Wm. Bradford, the brewing architect and surveyor who rebuilt the Tyne Brewery for Barras, observed that "in passing through a town attention was usually attracted to two or three buildings — generally the church, municipal buildings, and a brewery".<sup>[62]</sup> A number of breweries were centrally—situated in Newcastle, whilst others at the mouth of the Tyne — like the Ferry Brewery, South Shields and the Northumberland Brewery, North Shields — had important riverside positions. Breweries in other towns were local landmarks, including Pearson's Northumberland Brewery with its imposing fifty—yard frontage on Hexham's main thoroughfare and the Monkseaton Brewery, said to be the most prominent building in the village.<sup>[63]</sup>

Buildings in rural areas, although not large in terms of buildings, often had considerable areas of land adjoining as a legacy of the brewery's origins as an adjunct to farming. In this way the Wylam Brewery had two fields and five cottages attached, the Allendale Brewery had twelve acres of land and the Morpeth Old Brewery boasted a nine acre grass field which hosted band concerts and monster picnic parties. The West Auckland Brewery Company ran a well—stocked farm although at times this proved a drain on resources. On a much smaller commercial scale both the Ovingham and Blyth Breweries regularly sold hay and the Ovington Brewery sold eatage of six acres of turnips. Many breweries sold their dried spent grains for animal food.<sup>[64]</sup>

### 2.3.3 *Water, Machinery and Power*

Water supplies had been a prime consideration in the original siting of breweries with the proprietor of the Hexham Old Brewery, for example, declaring in 1869 that "it was the water that brought us here".<sup>[65]</sup> The quality of Sunderland's water in particular was regarded as ideal for brewing purposes. In 1890 three Sunderland brewers continued to use well-water for brewing and at least one had experimented with the town supply before returning to his own wells. In other parts of the region, throughout the period 1870–1890, good or excellent water supplies were reported to be found on brewing premises.<sup>[66]</sup>

The extent to which ~~a brewery~~<sup>breweries</sup> could use their own water depended upon the reliability and quality of its supply, and maintaining a constant supply of sufficient quality could prove difficult. When the new owners took over the West Auckland Brewery in 1878 their dissatisfaction with the existing well prompted them to sink a temporary well and test for water from another two boreholes, on the basis of which they sank a new well in the brewery garden. Within a few years, however, the brewer was reporting that the well-water was contaminated and the brewery was never able to rely entirely upon its own wells, having always obtained some supplies from the Weardale and Shildon Water Company.<sup>[67]</sup> But even if unsuitable for brewing, well-water could still be used for other purposes such as washing and refrigeration. The continued use of well-water made economic sense and most large North East brewers operated on a combination of well-water and the local town supplies.<sup>[68]</sup> At Ovingham, Wm. Bedlington relied on the good quality well-water available in the village even though it meant piping it a quarter of a mile to the brewery.<sup>[69]</sup>

As well as monitoring the quality of their water supplies brewers were required to pay equal attention to quantity and on occasions it became necessary to drill extra wells. In 1881, for instance, the Alnwick Brewery sank a borehole of 90

feet from which water was pumped at the rate of 3000 gallons per hour. Fenwick & Co. of Sunderland drilled a new, deeper well to replace a defective shaft and Nixey & Coleclough sank a 170 foot well on their premises around 1890. Also in 1890, the London firm of specialists, le Grand & Sutcliffe, drilled an artesian well for the Crown Brewery, Bishop Auckland, and one of 202 feet 6 inches for the Victoria Brewery, South Shields.<sup>[70]</sup>

When it came to new machinery, it would seem that the leading North East brewers adopted it just as quickly as their counterparts elsewhere in the provinces. There was, for example, ample evidence to suggest that mashing machines were in widespread use in the region and what detailed information is available indicates a preference for Steele's design.<sup>[71]</sup> The national pattern was also followed when it came to the installation of refrigerators, with North East brewers showing a distinct preference for those produced by Morton. By the early 1890s both the City Brewery, Durham and the Barras Bridge Brewery, Newcastle were using a Morton machine to cool their hot liquor at the rate of 25 barrels per hour,<sup>[72]</sup> but there were other manufacturers in the market. Shortly after formation, the chairman of the West Auckland Brewery Co. travelled to Manchester to inspect a Gregory & Haynes refrigerator. A partner of that firm subsequently visited West Auckland to look at the brewery and provided an estimate of £169 for a 'first-class 60 barrel refrigerator'. The suppliers suggested that the equipment would cool an entire brew in 1 hour or possibly even forty minutes. It was installed in 1878 at a cost of £187 and was fixed in such a way that waste water could be carried to the barrel-washing vat.<sup>[73]</sup>

As regards power, when the North East brewing industry entered the 1870s steam was being used widely in firms of all sizes. Earlier alternatives had been wind, water or horses; although there is no evidence that in the North East, or even Britain, wind power was used to assist brewing.<sup>[74]</sup> There is, however, some

evidence that horsepower and water were being used locally in the mid-1870s. A horse mill existed at the Angel Brewery, Alnwick in 1874 and four years later the Wooler Brewery had "horse gear for driving malt mill and pump".<sup>[75]</sup> In 1877, Robinson's of Houghton-le-Spring was disposing of a 16 feet 8 inches diameter, 4 feet 7 inches wide, iron water wheel complete with 10 feet shaft and carriages.<sup>[76]</sup> These are, nevertheless, isolated examples.

When it came to steam power, North East brewers were using engines of various sizes, as illustrated by Table 17. The most popular size of engine was around 6 or 7 horse-power. On this albeit limited evidence the region appears to be in step with the industry at large. For example, it was felt by some brewing engineers in 1871 that a 5 horse-power engine was sufficient, although this was only for bottling purposes and would have to be increased if extra power was required for pumping, particularly in deep wells.<sup>[77]</sup> As to the type of machine adopted, the picture that emerges suggests compliance with a trend within the industry of a change in fashion towards the horizontal acting machine. Vertical engines were known to be in use at Burnopfield, at Easington, at the Stella Brewery and at the Grey Horse Brewery, Newcastle. A beam engine was operating at the Northumberland Brewery, North Shields up to 1883 and at the Barras Bridge brewery in 1890; but the engine at Sanderson's, described as a "substantial lever engine" was regarded as inadequate by 1874.<sup>[78]</sup>

Horizontal engines began to find favour amongst brewers since they were less complicated in terms of moving parts, cheaper to install and took up less space than beam engines. In 1882 the Tyne Brewery Co. had a horizontal engine made locally by Hawthorn & Co. with 12 inch cylinder, 24 inch stroke and two single-tube boilers. Similarly, up to 1884 Barras's Gateshead brewery had operated a horizontal engine, 12 inches by 24 inches; a Westminster double-action steam pump, a 7 inch and 4 inch ram; two sets of steam pumps with 20 strokes; and a Cornish boiler 18

feet by 4 feet. Elsewhere, the Alnwick Brewery installed its 8 horse-power Tangye engine in 1881 and in 1884 Robinson Bros. began using a 10 horse-power Tangye engine for milling and two smaller engines for pumping. This use of separate engines for milling and pumping and other tasks such as cask-lifting was in line with the engineering advice of the day.<sup>[79]</sup>

*Table 17 : Steam Engines in Some North East Breweries 1874–1890*

| Brewery                            | Year  | Horse Power |
|------------------------------------|-------|-------------|
| Lion Brewery, West Hartlepool      | 1890  | 30          |
| Tyne Brewery, Newcastle            | 1889  | 20          |
| Robinson's, Houghton-le-Spring     | 1890  | 10          |
| Chester Brewery, Chester-le-Street | 1877  | 8           |
| City Brewery, Durham               | c1890 | 7½          |
| Morpeth Old Brewery                | 1884  | 7           |
| King's Head, Easington             | 1878  | 6           |
| Grey Horse Brewery, Newcastle      | 1877  | 6           |
| Haymarket Brewery, Newcastle       | 1874  | 6           |
| Union Street Brewery, Sunderland   | 1876  | 5           |
| Felton Brewery                     | 1890  | 3           |
| Queen's Arms, Gateshead            | 1874  | 3           |
| Stella Brewery, Blaydon            | 1890  | 2½          |
| Smart's Brewery, Alnwick           | 1890  | 1½          |

Source : John Barras & Co., Prospectus, 1899, Tyne & Wear Archives Service 1463/2; *Descriptive Account of the Hartlepoons* (1894) p.31; *Descriptive Account of Durham and District* (1894) pp. 30–32, 46–48; *Newcastle Daily Journal* 11.3.1874, 15.7.1874, 30.1.1877, 16.8.1884, 18.9.1890, 8.4.1893; *Sunderland Times* 16.6.1876; *Sunderland Daily Echo* 4.5.1878; *Alnwick Gazette* 3.6.1890.



The steam engine had also moved from being solely a source of motive power to a means of transmitting heat and supplying hot water. By 1890 Robt. Emmerson's brewery was using steam to drive machinery within the brewery and service its aerated water factory, cooperage, cask—washing and other departments. At the same time, however, the Swalwell Brewery was demonstrating the continual search amongst brewers for the most efficient forms of power and heat. In this brewery, steam power was introduced in 1845 but by 1889 was regarded as obsolete and had been replaced by gas in the form of two Otto gas engines.<sup>[80]</sup> This complete conversion was unique amongst North East brewers of the time, although the Manor Brewery of Ridley, Cutter and Firth had also introduced gas but in their case "a powerful steam engine" worked alongside "a gas engine of considerable power".<sup>[81]</sup> Similarly, at Camerons, power from a vertical steam engine was supplemented by a 8 horse—power gas engine.<sup>[82]</sup>

An illustration of the improvements and extensions carried out at one North East brewery during the period is provided by a valuation statement of fixtures at Nimo's Castle Eden Brewery in 1871 and 1888 :<sup>[83]</sup>

|  | 1871      | 1888       |
|--|-----------|------------|
|  | £         | £          |
| 1 Engine, boiler and pumps   | 50        | 500        |
| 4 Tunning troughs, 4–15 barrels each   | 23        | 500        |
| 1 15 barrel cooler   | 2         | 80         |
| 1 Malt mill (replaced in 1871)   | 3         | 75         |
| 1 Wort pump  | 10        | 30         |
| 1 Mash tun   | 10        | 150        |
| 2 Water cisterns, 1000 gallons (replaced with one containing 3000 gallons in 1871) | 7         | 140        |
| 1 15 barrel copper (replaced with new 75 barrel)                                   | 25        | 185        |
| 1 16 barrel iron water tank (replaced with new 3000 gallons)                       | 5         | 30         |
| 1 Wood malt cistern  | 3         | 75         |
|  | <hr/> 138 | <hr/> 1765 |

## **2.4 SUMMARY**

Structurally, the period 1870–90 had been one of concentration : the number of brewers in the North East was halved, almost all the closures were small concerns and many of them publican brewers. Nevertheless, small firms still predominated in 1890. There were also changes amongst those firms that survived the period, with almost one-third of the survivors experiencing at least one change in ownership. The vast majority of survivors were well-established when the period began and although there remained a wide geographical distribution of such firms in 1890, there was an increasing concentration of brewing in urban areas.

The period had also witnessed a good deal of activity devoted to redesign, restructure and new building of production facilities, particularly after 1880, and also the enhancement of water supplies, the installation of more powerful engines and the adoption of new methods for a variety of tasks. The end of the period, therefore, saw fewer breweries, but amongst those that had improved and extended their breweries were the firms geared up to meet the more competitive environment of the future.

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## ***CHAPTER 3 : MEETING THE COMPETITIVE CHALLENGE***

### ***3.1 INTRODUCTION***

During the period 1870–90 the North East continued to be an attractive market for brewers from outside the region, and the very presence of (on the whole, the most successful) brewers from other areas served to sharpen competition within the region. Local brewers with ambitions to compete effectively and maintain their regional role were required to respond and look to strategies adopted by brewers elsewhere. With respect to market behaviour, this meant a policy of forward integration through the purchase of licensed houses, and internally it involved the strengthening of management to ensure that firms were better placed to secure improved products and marketing.

### ***3.2 OUTSIDE PENETRATION OF THE NORTH EAST MARKET***

#### ***3.2.1 Methods***

The leading Burton and Scottish brewers and the London porter producers were also joined in the North East market by Irish, Yorkshire and Norfolk brewers, South–Western cider makers, and some European producers. Table 18 indicates the degree to which outside brewers were represented. It is this that distinguishes the North East brewing trade from the important centres of Scotland and Burton: they were essentially exporters whilst the North East was a big importer.

*Table 18 : Brewers from Outside the Region represented  
in the North East 1870–1890*

| Brewing Base   | Number of Brewers |    |
|----------------|-------------------|----|
| Edinburgh      | 31                |    |
| Alloa          | 8                 |    |
| Other Scottish | <u>6</u>          | 45 |
| Burton         | 14                |    |
| London         | 6                 |    |
| Yorkshire      | 6                 |    |
| Norwich        | 3                 |    |
| Ireland        | 9                 |    |
| Others         | 3                 |    |

Source : *Christie's Newcastle and Gateshead Annual Directory* (1870); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Sunderland* (1869–70 & 1877–78); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* (1879–80, 1881–82, 1883–84); *Ward's Directory of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* (1889–90); *Kelly's Post Office Directory of the County of Durham and the Principal Towns and Adjacent Places in Northumberland* (1873); *Kelly's Post Office Directory of Durham and Northumberland* (1879); *Kelly's Directory of Northumberland and Durham* (1890); *Slater's Royal National Commercial Directory of Cumberland, Durham, Northumberland, Westmoreland and the Cleveland District* (1877 & 1884); *Newcastle Daily Journal & Newcastle Daily Chronicle* 1870–1890.

The outside brewers consolidated their penetration of the regional market by using the methods adopted before 1870 of appointing locally-based brewers as agents, distributing beers through local wine and spirit merchants, setting up their own agency or network of travellers within the region, or utilising some combination of these methods. The first type of arrangement, a link-up between the local and outside brewer with one acting as the agent for the other, involved the minimum capital cost for the outside brewer but raised questions about a potential clash of

interests. The attraction of the second possible route for distribution was that by using a regionally-based retailer it could exploit an already well-developed network of wine and spirit merchants. Such firms had established reputations, prominent retail outlets and the necessary transport to ensure regular, often daily, deliveries.<sup>[1]</sup> The third method available was for a brewery to directly organise its own agency within the region, although this could take several forms. For example, the larger brewers tended to set up both storage and office facilities under a manager who would appoint travellers. Others appointed individuals as 'purchasing agents' who effectively acted as ale merchants.

The effectiveness of these latter 'agency' systems depended on the successful recruitment of representatives and their ability to intensify their firm's reputation in the region by increasing turnover in established territories and then gradually extending their trade over a wider area. At first, agents or travellers worked single-handedly, usually from Newcastle and often over a large area. As a brewery's trade increased, however, it recruited other travellers to concentrate on particular areas, but different brewers had different views as to the distances their travellers should cover and the degree of 'new ground' a traveller was expected to make.<sup>[2]</sup> It appears that both travellers and agents were paid on the basis of salary and commission, and it seems that the two essential qualifications for this representative work were honesty and familiarity with the local trade. Newspaper advertisements invariably demanded security of around £200 and always put great emphasis on the candidate's 'connection'. This is variously described as needing to be "established", "first-class", "good and safe".<sup>[3]</sup> There was thus a strong preference for those already acting on someone else's behalf and who had ready-made contacts.

### ***3.2.2 The Extent of Penetration***

Of the outside brewers, Bass was perhaps the most thorough in its penetration of the North East market. Nationally, by 1889 they had built up a network of stores and offices outside Burton which employed 141 clerks and 281 men. By 1890 the sales at their Newcastle agency totalled £216,290 and at Stockton £101,562. The growth of Bass's business in the region is also indicated by the fact that their depot at Newcastle's Trafalgar Goods Station handled 37,332 barrels in 1875–6 and 141,026 barrels in 1884–5.<sup>[4]</sup>

The success that some Burton and London brewers were having in marketing their products well away from their home base and thus creating a national market was instrumental in speeding the decline of the small local brewer. In 1884 one trade journal described the process whereby

the larger brewers, and more especially the Burton and metropolis firms, have largely availed themselves of the agency of grocers and shopkeepers in nearly every town and village in the Kingdom, so that certain brands are now to be obtained in the most remote places, thus seriously interfering with the local brewers' trade, who, after making futile attempts to compete in quality and price with his monster competitors, at length gives up the struggle<sup>[5]</sup>

The close proximity of the North East also made it an ideal area into which Scottish brewers could expand their sales. When the Thornbush Brewery at Inverness was put up for auction in 1875 it was advertised in the North East with the attached statement :

The brewery is situated immediately contiguous to the harbour which is most advantageous for shipping and a trade could be readily opened up with Newcastle and Sunderland. The ales and porters manufactured are most suitable for these markets and could be carried at very moderate charges by sailing vessels of this port.<sup>[6]</sup>

This illustrates two features of Scottish brewing's involvement with the North East at the time : its products had advantages over the North East's indigenous brews and sea links provided an effective route for moving the goods. Regular services ran from Scottish ports to those of the North East and some indication of the size and growth of the coastal trade is shown in Table 19. Although this is for but one port in the region and will include the output of other brewing areas, the heavy presence of Scottish brewers in the region and the established sea links are presumably reflected in the figures. In 1889, when three Edinburgh and one Leith brewer amalgamated to form the Edinburgh United Breweries Ltd., the prospectus specifically mentioned the large trade done by the companies in the North East and the agencies operating there. In 1885 Wm. Younger of Edinburgh earned 26.9% of annual turnover (£109,000) from the Newcastle market. By 1890 this had risen to 33.7% (£213,000) compared with a combined total for Edinburgh and Glasgow of 35.6% (£225,000).<sup>[7]</sup>

*Table 19 : Ale and Porter Imports (Coastwise) to Tyne  
Improvement Commission Quays, 1882–1890*

| Year | Tons Imported |
|------|---------------|
| 1882 | 6118          |
| 1884 | 8289          |
| 1886 | 8038          |
| 1888 | 8715          |
| 1890 | 15708         |

**Source :** Tyne Improvement Commission Accounts, 1882–1890.



The increasing successful entry of outside brewers into the region's market intensified competition. Their high profile (for example, many agents regularly advertised in regional newspapers) and their extensive stores, often grouped together in railway company property, tended to reinforce the perceived threat to the local trade. Thus, when the Tyne Brewery was closed and put up for sale in 1881, the *Newcastle Courant* felt the blame lay with those brewers based outside the area, saying that the "brewery business, like others, has felt the pressures of competition. A walk along the range of huge cellar warehouses to the west of Forth Banks may explain why large local breweries are declining as the small ones did".<sup>[8]</sup> The penetration by Burton, Scottish and other firms was clearly influential in colouring the local brewers' perception of their competitive environment.

### **3.3 THE TIED TRADE**

#### **3.3.1 The Ownership of Licences**

In terms of market conduct, much emphasis has been put on the growing quest by brewers for licensed property and in this respect the phrase 'the scramble for licensed property' recurs in the literature.<sup>[9]</sup> This purchase of retail outlets is represented as a defensive ploy designed to protect sales in order to sustain levels of output commensurate with recently improved and extended production facilities; and also as being prompted by fears of falling consumption and the effects of stricter licensing. The timing of this process of tying in licensed property is not clear cut. In 1899 a Royal Commission reported that

the tied house system had developed rapidly in the last twenty years... This is mainly the result of competition, and the desire of brewing firms to secure their existing trade, in houses which they own or have financed.<sup>[10]</sup>

Without any statistical support, Wilson says that the development of the tied house system proceeded steadily.<sup>[11]</sup> Giving evidence to the 1931 Royal Commission, F. Nicholson of Vaux was unable to say when the practice of brewers owning licensed houses began but "it received a very great impetus in the late 1880s".<sup>[12]</sup> A shortage of data prevents a full assessment of the timing and degree of brewers' control over retail outlets, both nationally and regionally, but what is known is that brewery ownership of licensed premises in the North East was underway by the early 1870s and in Durham City, for example, 17% of public houses were owned by brewers.<sup>[13]</sup>

One of the few pieces of comprehensive data available is a Parliamentary Return of 1892 detailing the ownership of 105,003 public houses.<sup>[14]</sup> Table 20 is based on this return and shows the pattern of ownership to be one of extremes; whilst 98% of all owners have less than ten public houses and average little over one each, there are 76 owners with in excess of one hundred properties, at an average of 168.

The 1892 Return allowed Baxter to construct a table showing the ownership of licences for each county, an extract of which forms Table 21. This implies that by 1892 the extent of public house ownership in the North East counties did, at least to some extent, lag behind the rest of the country. This is certainly the case with that group of brewers with licensed estates in excess of 100 properties. Of the 76 such owners in Table 20, only one North East firm is included, and that is the Newcastle Breweries with 114, a total figure arrived at as a result of the recent amalgamation of five firms.

*Table 20 : Ownership of Licensed Houses in England and Wales 1892*

| Size Group<br>(no. owned) | Number of Owners | Total Number of Houses<br>Owned in each Size Group |
|---------------------------|------------------|--|
| 1 – 10                    | 53121            | 61829  |
| 11 – 20                   | 390              | 5776   |
| 21 – 30                   | 198              | 5010   |
| 31 – 40                   | 112              | 3922   |
| 41 – 50                   | 89               | 4029   |
| 50 – 100                  | 165              | 11670  |
| 100 +                     | 76               | 12767  |
|                           | <hr/> 54151      | <hr/> 105003                                       |

Source : Baxter, J., *The Organisation of the Brewing Industry* (Unpub. Ph.D Thesis, London University, 1945) Table 54 p.

*Table 21 : Number of Properties held by Owners of Two or More in 1892*

| Area            | Average per Owner<br>of Two or More | % of Total Owned by<br>Owners of Two or More |
|-----------------|-------------------------------------|--|
| Durham          | 5.2                                 | 46.3   |
| Northumberland  | 4.4                                 | 43.3   |
| England & Wales | 6.3                                 | 53.8   |

Source : Baxter (1945) Table 57

An analysis of licensing registers for Newcastle shows a marked but gradual increase in brewery ownership of public houses over a sixteen year period (Table 22). There is certainly no speeding up of the process around 1880 which another study of the industry suggests took place.<sup>[15]</sup> Why the North East should be behind other areas in the purchase of licensed property is difficult to explain given the sparsity of information. Perhaps there had indeed been a national trend of rapid takeoff in activity after 1880 in which the North East did not participate or lost ground, but there appears to have been nothing in the distribution or ownership of licensed houses which made it difficult or unattractive for North East brewers to buy into at the same rate as in other parts of the country. Nor is there anything to suggest that brewers were less motivated than their counterparts elsewhere or that urban centres like Newcastle or Sunderland failed to offer brewers the prospect of premises in close proximity to one another and within delivery distance of the brewery.

***Table 22 : Percentage of the Total Number of Licensed Premises  
Owned by Brewers in Newcastle, 1872–1888***

|   | 1872<br>% | 1880<br>% | 1888<br>% |
|---|-----------|-----------|-----------|
| Premises with licensed victualler licence | 16        | 22        | 25        |
| Premises with beer house licence          | 5         | 6         | 7         |
| All licensed premises                     | 11        | 14        | 17        |

**Source:** Newcastle Magistrates Court Publicans' Licences Registers Tyne & Wear Archives Service (TWAS) MG/Nc/9/1–2; Newcastle Magistrates Court Beer, Wine and Spirits Registers TWAS Mg/Nc/10/1

It would seem to be the case that the licensed property market in the North East offered relatively easy entry, with the ownership pattern of Newcastle's licensed houses in 1880, for instance, being such that 12% were still owned by the

licencee. This represented almost 100 sole proprietors who would, from time to time, put their houses up for sale or at least be open to offers from brewers. The only plausible explanation to support a 'delayed action' view of public house purchase in Newcastle and the North East must rest on the region's incidence of amalgamation and public flotation. The very act of merger concentrated the ownership of property overnight. In addition, incorporation and public issues of capital provided the funds required for large scale entry into the property market. In the North East, however, such events did not begin until 1890, and in most cases happened sometime later.<sup>[16]</sup>

What is clear from the available information is that some individual North East brewers had established a foothold in the licensed property market before 1870 and by that date there were some significant holdings. The Tyne Brewery Co. held sixteen houses in Newcastle and Nimmo's owned ten houses (12% of the total) in the Easington area. If we consider three of the biggest four owners of Newcastle houses in 1888 – Sanderson, Arnison and Ridley, Cutter & Firth – with a combined total of forty, we find that they already held thirty-three between them sixteen years earlier. What the Newcastle figures also demonstrate is that the rise in brewer ownership from 1872 – 88 had led to only a mild concentration of ownership, as Table 23 shows. What happened during the period was that sixteen brewers entered the market by the acquisition of only one or two properties. In 1888 thirty-three brewers owned houses in the city compared to seventeen in 1872.<sup>[17]</sup>

**Table 23 : Cumulative Percentage of Premises with Licensed  
Vicualler Licences in Newcastle Owned by Brewers, 1872–1888**

| Number of Premises               | 1872<br>% | 1888<br>% |
|----------------------------------|-----------|-----------|
| Brewers with 10 or more premises | 10.9      | 12.4      |
| Brewers with 7 or more premises  | 10.9      | 15.4      |
| Brewers with 4 or more premises  | 13.3      | 17.7      |
| Brewers with 2 or more premises  | 15.7      | 21.6      |
| Brewers with 1 or more premises  | 16.4      | 24.8      |

**Source:** Newcastle Magistrates Court Publicans' Licences Register  
Tyne & Wear Archives Service MG/Nc/9/1–2

Another aspect of brewer ownership of licensed property across the region was the acquisition of property close to production facilities. In 1872 for example, John Sutter had six properties, five within a short distance of his brewery. Similarly, by 1880 the Ferry Brewery, South Shields owned eight properties in the town. Around Chester-le-Street, Fenwick's, the local brewery, owned eight houses (12% of the total) whilst eight other breweries held one each.<sup>[18]</sup> This geographical concentration of brewers' holdings was repeated elsewhere, but for some isolated breweries in thinly populated areas the building up of a tied estate meant spreading the net some distance.<sup>[19]</sup>

### **3.3.2 The Extra Dimension of Control**

Ownership of houses did not, however, determine the extent of the tied trade. Ownership was only one element in a brewer's ability to control the sale of his product through retail outlets. Ownership of the premises conferred the power to install a tenant or manager, but such power could be executed through leased property. Thus the figures for Newcastle, lacking details of lessees, show only 'ownership' and provide an incomplete picture of 'control'. How incomplete we cannot say except to refer to the 59% of public houses in private hands in 1888.<sup>[20]</sup>

These were owned by people independent of the trade who in some cases owned a number of houses by virtue of their general property interests. We know from other sources such as company prospectuses and newspaper advertisements that brewers leased property as keenly as they bought it. Many of Newcastle's privately-held houses, it can be safely assumed, were leased by brewers and therefore the extent of the tie in 1890 exceeded the number of properties owned.

It is possible to confirm this extra dimension of 'control' over 'ownership' with reference to Blyth. A return produced around 1890<sup>[21]</sup> for the licensing magistrates showed that ownership of the town's fifty-six licensed premises was divided as in Table 24. From this data it can be seen that trade interests owned just over half the properties. However, information given on the identities of the lessees showed that of the twenty-seven independently-owned properties, ten were leased to brewers and one to a wine merchant. If percentages are recalculated on the basis of this 'control', brewers would be credited with 47% and wine merchants 32%. The local aspect of ownership is confirmed by the analysis on the basis of individual firms (Table 25).

*Table 24 : Ownership of Public Houses and Beerhouses in Blyth c1890*

|                                 | Number   | %         |
|---------------------------------|----------|-----------|
| Owners independent of the trade | 27       | 48        |
| Brewers                         | 18       | 32        |
| Wine and spirit merchants       | 11       | 20        |
|                                 | <hr/> 56 | <hr/> 100 |

Source : List of No. 2, Blyth Section, Morpeth Division, Licensed Houses (Northumberland County Record Office PS 5/119b)

*Table 25 : Control by Ownership or Lease of Public Houses  
and Beerhouses in Blyth c1890*

| Owner/Lessce                                 | No. of Houses |
|--|---------------|
| J. Thompson, wine & spirit merchant, Blyth   | 10            |
| Blyth and Tyne Brewery, Blyth                | 9             |
| J. Routledge, wine & spirit merchant, Blyth  | 6             |
| J. Sanderson, Haymarket Brewery, Newcastle   | 4             |
| I. Tucker, Turk's Head Brewery, Gateshead    | 4             |
| Newcastle Breweries Ltd.                     | 4             |
| Other Brewers <sup>1</sup>                   | 5             |
| Other wine and spirit merchants <sup>2</sup> | 2             |
| Independent licensed victuallers             | 12            |
|  | <hr/> 56      |

<sup>1</sup> Four Newcastle brewers and one from South Shields with one house each

<sup>2</sup> One from Newcastle and one from Blyth.

Source : As Table 24

What the Blyth data also emphasises is that brewers not only competed with other brewers in the licensed property market, but also with wine and spirit merchants, ale and porter merchants, and those licensed victuallers who sought to build up a chain of houses. In Newcastle, for example, these other interests entered the market and by 1872 owned 6% of the total full on—licences and 10% by 1888, and whilst there was not the same overall degree of penetration into public house property as for brewers, some Newcastle merchants (eg J.H. Graham, F.M. Laing and Robinson's) owned more properties than most brewers.<sup>[22]</sup> Their wine and spirit



business and their property holdings were to make such firms doubly attractive to brewers when considering growth through amalgamation at the time of incorporation.

So far the brewers' ability to exert control over retail outlets has been discussed with reference to their ability to own or lease property. Another possibility was the so-called 'loan tie' arrangement where the licensee was advanced the funds to improve his premises in return for a promise to stock a brewery's products. This was not the preferred method in the North East but was in widespread use in London and Scotland where the nature of property ownership and the attitudes of licensing magistrates made the outright purchase of property difficult.<sup>[23]</sup>

### ***3.3.3 The Experience of the West Auckland Brewery Company***

The way in which one North East brewery went about extending its tied estate can be illustrated by reference to the West Auckland Brewery Co. In 1877, at the point when J. Tamplin relinquished control of the brewery, he owned one leasehold and sixteen freehold public houses, and controlled another eighteen he leased or rented.<sup>[24]</sup> For the newly-formed West Auckland Brewery Co., as with all other brewers, there were three sources of additional property : from the individual owner or licensee with a single house, from those merchants or licensed victuallers who had accumulated a chain of premises, and from other brewers who wished to dispose of all or part of their licensed estate. In the first year, the new company bought five properties from separate individuals, but the two most important (including the North Eastern, Spennymoor for £4200) were purchased after the owners had approached the brewery offering them for sale. In the next decade a small number of public houses were acquired in a similar fashion.<sup>[25]</sup>

The most effective way for the ambitious brewer to increase his estate was to acquire a collection of houses already put together by another. In practice, however, the brewer's ability to proceed satisfactorily along these lines depended not only upon an initial agreement on values but the subsequent successful disposal of those houses which may not fit comfortably into the brewer's existing chain. The route to augmenting property holdings, therefore, was not necessarily as smooth or effortless as the bare facts about the brewery's acquisitions might suggest. At the West Auckland Brewery there were some abortive attempts to reach agreements on the sale or transfer of property. An initial offer by Kirkley & Co. of Stockton to sell the company four public houses in the Weardale area was finally rejected when the valuations of the two parties remained far apart. Another arrangement discussed by the brewery was based on a proposal by a Mr. Hearse who owned licensed property in and around Middlesbrough. It was suggested that the brewery buy some of the smaller public houses and beerhouses in return for Hearse agreeing to take all his supplies for the remaining larger houses from the brewery. Discussion took place but no agreement was reached.<sup>[26]</sup>

In one instance, the West Auckland Brewery Co. did acquire houses from another brewer by buying properties once belonging to the Wear Valley Brewery, Wolsingham. In 1884 solicitors acting for the Love estate approached the company with a number of packages of licensed properties. The company inspected the houses and immediately agreed the asking price of £3000 for a package of four properties, including the Queen's Arms and the Station Hotel, Wolsingham. The other two properties involved, at Crawleyside and Rookhope, were clearly surplus to the company's requirements and within a few weeks the directors decided to sell them for £350 and award a £25 bonus to anyone actually finding the brewery a purchaser. After sixteen months the two properties eventually raised £210. A similar situation arose with another group of Love properties. For three hotels in

Middlesbrough and the London Porter Stores, Durham, the brewery paid £4500, but within a few years had disposed of two of the Middlesbrough premises.<sup>[27]</sup>

Renting and leasing rather than outright ownership, was a method adopted for increasing tied trade if and when the opportunity arose. The West Auckland Brewery agreed to rent four of Love's former properties, just as it had earlier arranged to rent two licensed houses from a local licensed victualler. In 1884 the company leased the public house and wine and spirit stores belonging to a Bishop Auckland trader, but earlier attempts to buy a local wine and spirit merchant's business had failed.<sup>[28]</sup>

The acquisition of licensed property by brewers was a costly exercise which could make considerable demand upon funds, especially amongst smaller concerns in the pre-incorporation period. Nevertheless, the ownership of property assets could itself make the raising of capital easier and at the West Auckland Brewery their tied estate was used to borrow on mortgages from directors, local businessmen and other individuals.<sup>[29]</sup> But the development of a tied estate also brought with it the liability to manage and maintain it. In the first decade of its existence the West Auckland Brewery altered, enlarged and re-built a number of its houses.<sup>[30]</sup>

### **3.4 THE RESPONSE OF LOCAL BREWERS**

#### **3.4.1 *Survival and Scale***

The growing importance of forward integration during the period 1870–90 and the impact being made by outside brewers' products were two developments that could not be ignored by North East brewers. For some, the response was to accept that they could no longer compete in this changing climate. For others, who saw an advantage in restricting their competitive battles to the regional front only, the strategy was to reach some formal accommodation with an outside, usually Scottish, brewer. But for some of the larger North East breweries, who were

confident about their production facilities and their range of products, the response was to compete aggressively and effectively with both outside and local firms.

In a literal sense all eighty North East brewers of 1890 must be regarded as survivors, but this would be to overlook the dynamics at work within the industry which created contrasting degrees of competitive health. By 1890 some brewers were participating in and benefiting from the process of concentration, whilst others were passively and precariously managing to avoid becoming victims of the trend. Although most brewers were small brewers there was no safety in numbers since the trend was that of the rapid disappearance, almost exclusively, of the small brewer. Thus, a great proportion of 1890 survivors were vulnerable and many would leave the industry within a few years. Even when not disappearing entirely, their acquisition by another brewer, usually because of their tied trade, meant that the brewing plant was closed down. This continuing concentration after 1890 had, therefore, less to do with the immediate circumstances surrounding a firm's death and more to do with the condition of the different survivors in 1890; a condition determined by their behaviour and record over the previous twenty years. There was, therefore, in 1890 a relatively small but durable core of survivors which was to continue to dominate the region's brewing industry in the future. From the point of view of this study it is worth considering if there were any common characteristics apparent in 1890 or during the period 1870–90 which explain not only their continuing existence but long-term future.

As we have seen, most survivors to 1890 were small and many cannot have been any larger in 1890 than they were in 1870. But it was this group, of course, which had little future in brewing. Those which did have a future, either began the period with a strong foothold in the industry and went on to increase their size or entered the industry during the period on a substantial scale. Examples in the first category were Vaux and Barras & Co., and in the second category there was Robt.

Deuchar, who began brewing by taking a lease on the well-established Sandyford Stone Brewery. A further movement at work during the period was typified by Jas. Deuchar and Robt. Emmerson who both made significant leaps in their levels of activity by transferring from breweries attached to public houses to large-scale, purpose-built facilities.<sup>[31]</sup>

Alongside this apparent commitment to large scale production and expansion, most of the long term survivors displayed a willingness to modernise, and often rebuild, brewing plant. In Chapter 2, section 2.3.2 we saw that a number of brewers engaged in major overhauls of their production facilities. Another common thread amongst long term survivors was an eagerness to diversify into wine and spirits and the production of mineral waters.<sup>[32]</sup>

### ***3.4.2 Management***

The period 1870–90 also witnessed the arrival of a much more professional management. For some survivors, as we have seen, management passed through successive generations of the same family and as such there was a continuity of management steeped, from an early age, in the practices of the industry. This could, of course, create a stagnant approach which eschewed innovation in favour of traditional methods or practices. Many of the long-established firms did, however, realise the value of managerial talent and recruited such. For instance, in 1870 the Swalwell Brewery recruited Robert Glass as manager and fourteen years later the proprietors, whose family had owned the business for over a century, publicly acknowledged that whilst the firm had always been prosperous, it was the management of Glass that ensured it had become much more successful. A similar situation arose at the Border Brewery, Berwick, where a turning point in the company's fortunes was put down to "securing the advantage" in 1887 of Wm. Henning's "ability and practical experience as a managing partner".<sup>[33]</sup>

Other North East breweries operated in the period with long-established, experienced managers who had been with the companies through periods of change and growth. Robinson Bros. of Houghton-le-Spring had the same manager for forty years and Fenwick & Co. of Chester-le-Street for thirty seven years. There was also experience amongst the new entrants to brewing during the period. For example, before the formation of Ourbridge & Archibald, one of the partners, Ourbridge, worked for a number of years for Newcastle brewers Wilkinson & Co. Similarly, the two founders of Nixey & Coleclough had employment experience with leading brewers in Burton and London.<sup>[34]</sup>

It is also conceivable that a more professional approach to management was brought to the North East brewing trade by those successful entrepreneurs in other fields who moved into brewing. Amongst such people was C.B. Reid who had originally worked as a partner in his father's goldsmith's business before joining a brother in the management of the Pelton Collieries. He founded the Leazes Brewery and maintained an interest until 1879.<sup>[35]</sup> Other examples were Joseph Johnson and the Carr family of North Shields.<sup>[36]</sup>

### ***3.4.3 Science***

In a period when science was becoming recognised as having an increasingly important role to play in the industry, a number of undertakings adopted a more scientific approach by recruiting experienced brewers from areas where products or processes were considered superior. Robert Newton, for instance, recruited a Burton-trained brewer in 1884 and Robt. Deuchar secured the services of a man with experience with Scottish brewers.<sup>[37]</sup> What turned out to be the most significant appointment was made by the Barras brewery in 1887. The appointment of T.W. Lovibond not only ensured that the control of the brewing process and future development took place along scientific lines but ensured that

Barras & Co., and subsequently the Newcastle Breweries, were to be at the forefront of North East brewing. Lovibond had begun as a partner in his family's Greenwich brewery and then went on to study brewing chemistry at University College, London in 1881. Three years later he became head brewer at the Trent Brewery, Newark, before joining Barras & Co. in a similar capacity.<sup>[38]</sup>

The appointment of Lovibond cannot be over-estimated, being a unique and bold move for a North East brewery at that time. In the late 1880s only the City & Guilds of London Institute examined brewing but they did not organise classes. The only regular lectures on the subject were at University College, London.<sup>[39]</sup> Thus, Barras's acquired a scientific brewer at a time when almost all practising brewers in Britain obtained their knowledge, along with their skills, via a three to seven year apprenticeship. As a consequence a seemingly ambivalent attitude to scientific and technical matters and quality control existed amongst traditional brewers and their employers. This was seen at the West Auckland Brewery where at its first board meeting in 1878 the chairman circulated an advertisement outlining Steele's newly-published technical work on brewing. The board decided not to purchase a copy but a few years later they were recognising the importance of the brewer by paying him £200 per annum.<sup>[40]</sup>

However, the increasing importance of science and engineering could not be ignored by North East brewers. In the first instance, they were faced with competition from the more technically advanced producers of Burton, London and Scotland. Secondly, the removal of the malt tax had added an extra impetus. The creation of the 'free mash tun' now allowed the enterprising brewer the possibility of using sugar, raw grain and other malt substitutes to produce different beers to meet changing tastes. In addition, the basis of calculation for the new beer duty put an onus on efficiency of production methods. In these circumstances success was increasingly dependent upon the observance of scientific principles and the adoption

of the latest techniques and equipment. Local brewers were well aware of this and by the end of the period W.J. Nimmo was lecturing Durham University engineering students on the specification of modern brewing plant.<sup>[41]</sup>

#### **3.4.4 Marketing**

Competition had been intensified by outside brewers at a time when national consumption of beers was stagnating. Moreover, as we have seen, many brewers had invested heavily in updating and remodelling their premises which brought with it higher capacities. Under these circumstances the region's brewers were looking to increase their levels of sales and this could only be done by extending their marketing efforts into the free houses outside their tied trade and outside their immediate neighbourhood.

The manner of acquiring the new trade was by the use of travellers. Like those operating for outside brewers, it was the quality of the 'connection' within the region and the trade that was important, and the success or otherwise of the brewery's travellers was closely monitored and critical to the growth and viability of the brewery. The West Auckland Brewery, for example, took a lot of trouble to recruit representatives, but a four year period in the 1880s perfectly illustrates the difficulty of recruiting satisfactory salesmen who could achieve acceptable levels of performance. When the firm was seeking to secure the services of a "first class traveller" in 1882 there was no shortage of applicants, although some asked for terms that the brewery were unwilling to meet. A traveller, Partington, was appointed at £130 per annum. A year later another traveller was engaged to represent the brewery in Sunderland and Newcastle at a salary of £200 after finding £500 security. This arrangement was altered in 1884 when the traveller became self-employed, thereafter paying all his own expenses and operating on the basis of 15% of net monies collected. Meanwhile, Partington, the original appointment, was



reported to be having frequent quarrels with the brewer and was asked to resign. A replacement was appointed at £130 per annum with security of £300. He resigned a month later to be replaced by a Mr. Wright, formerly traveller for Masham Brewery, at a slightly higher salary. Within a few months Wright was brought before the board and questioned about the level of free trade he had achieved. By the end of the year the chairman was informing the board of Wright's 'defalcation' and in early 1886 Wright was prosecuted for felony and sentenced to six months imprisonment. Another traveller was then appointed but four months later he was thought by the chairman to be "not suitable for our business". The next traveller, taken on in June 1886, was called before the board in early 1887 and queried as to his level of expenses and the amount of free trade orders obtained. In May 1887 he was given one month's notice.<sup>[42]</sup> Not all North East brewery travellers had such short-lived careers: the traveller for Ridley, Cutter & Firth was with the firm for over 30 years.<sup>[43]</sup>

Writing in 1889, T.W. Lovibond described how the leading North East brewers responded to the growing penetration of the regional market by outside brewers. Whilst some decided to become agents for a pale ale brewer, others took the "bolder, and in the long run, more judicious course"<sup>[44]</sup> of meeting public demand by brewing such products themselves. The promotion by the Burton and Edinburgh brewers of what Lovibond, a professional brewer, adjudged to be "sound, clear and better-flavoured beers"<sup>[45]</sup> gradually captured more and more of the market. A number of North East brewers, therefore adopted a policy of 'import substitution' and began to add a pale or bitter ale, and sometimes a stout, to their range. Nevertheless, for part of the period 1870–90 the traditional local 'mild' beer remained the speciality of a number of brewers. But as its popularity waned brewers began to put more emphasis on other products for which there was a

growing rather than a declining demand. This could only be done by changing methods which necessitated improving plant so, here again, it was the investment-conscious, technically-aware, long-term survivors of 1890 which were involved in this movement. Lovibond cited his own firm of Barras & Co., Robert Newton, Tucker's and Vaux as examples of breweries which were successfully competing with pale ale brewers by 1889.<sup>[46]</sup>

### **3.5 SUMMARY**

The early 1870s had witnessed outside brewers consolidating their foothold in the North East market whilst ambitious local brewers set about organising their response, which in the first instance meant replicating the successful products of outside brewers. The leading firms in the industry also recognised the advantage of moving into the retail sector where ownership, or at least control, of licences properties further strengthened their competitive position. This need to improve products, upgrade production facilities and forwardly integrate in a systematic way made it incumbent on the leading firms to improve technical and administrative management, which was usually done by recruiting skill and experience from elsewhere. By 1890, therefore, the leading North East brewers had emerged from the previous two decades as better equipped, better managed and better provided with retail outlets; enabling them to be restructured as public and private companies in the new decade.

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## ***CHAPTER 4 : THE CHANGING STRUCTURE OF THE BREWING TRADE***

### ***4.1 INTRODUCTION***

In the period 1891–1914 the structure of the brewing trade in the North East was to change quite dramatically. An increased concentration of ownership, which reduced the number of brewers by more than half, was allied to changes in the size and status of the most prominent of the 1890s survivors, which by the outbreak of the First World War were almost all public limited companies. This restructuring of brewing itself was accompanied by forward integration, such that by 1914 the retail sector was as much a part of the brewing industry as the production of beers.

### ***4.2 PRODUCTION***

#### ***4.2.1 Concentration of Ownership***

For the British brewing trade the marked feature of the years 1891–1914 was the continued decline in the number of 'brewers for sale' : 5710 disappeared in the ten years after 1890 and 2463 in the fourteen years that followed.<sup>[1]</sup> Table 26 shows that this reduction in numbers was largely confined to small brewers, with those with an annual output below 1000 barrels showing a fall of some 75% from 1890 to 1914. By contrast, the number of undertakings producing more than 20,000 barrels per year increased by 14%.

*Table 26 : Number of Brewers for sale in the United Kingdom 1890–1914 categorised according to Bulk Barrelage produced.*

| Barrelage Brewed  | Year        |            |            |            |
|-------------------|-------------|------------|------------|------------|
|                   | 1890        | 1900       | 1910       | 1914       |
| Under 1000        | 9986        | 4759       | 3141       | 2536       |
| 1000 – 9,999      | 1447        | 910        | 722        | 580        |
| 10,000 – 19,999   | 274         | 262        | 214        | 197        |
| 20,000 – 99,999   | 255         | 308        | 274        | 280        |
| 100,000 – 499,999 | 34          | 42         | 41         | 46         |
| 500,000 – 999,999 | 2           | 6          | 4          | 5          |
| 1,000,000 +       | 2           | 3          | 2          | 3          |
|                   | <hr/> 12000 | <hr/> 6290 | <hr/> 4398 | <hr/> 3647 |

Source : Returns of Brewers Licences (see p.366 for full title) for 1890, 1900, 1910 and 1914.

From returns of brewers licences for the collections of Sunderland and Newcastle (Table 27) we can gauge the fall in the number of 'common brewers' in the two counties during the period to be in the order of 60%. Other categories of brewer ceased to have any significance for the North East. Licensed victualling licences, of which only 14 were issued in 1890, were not taken out at all in Northumberland and Durham after 1908. Likewise, 'brewers not for sale' (licences for home, often country—house, brewing) numbered only 11 in 1890 and were down to 2 in 1914.<sup>[2]</sup>

*Table 27: Number of Wholesale Brewers in Northumberland and Durham 1890–1914.*

| Year | Number of<br>Brewers | Year | Number of<br>Brewers | Year | Number of<br>Brewers |
|------|----------------------|------|----------------------|------|----------------------|
| 1890 | 96                   | 1899 | 62                   | 1908 | 52                   |
| 1891 | 91                   | 1900 | 60                   | 1909 | 48                   |
| 1892 | 88                   | 1901 | 60                   | 1910 | 47                   |
| 1893 | 85                   | 1902 | 60                   | 1911 | 46                   |
| 1894 | 77                   | 1903 | 58                   | 1912 | 42                   |
| 1895 | 65                   | 1904 | 58                   | 1913 | 41                   |
| 1896 | 64                   | 1905 | 55                   | 1914 | 39                   |
| 1897 | 60                   | 1906 | 53                   |      |                      |
| 1898 | 60                   | 1907 | 53                   |      |                      |

Source : Returns of Brewers Licences 1890–1914. (See p. 366 for full title).

The decrease in brewing numbers in the North East followed the overall pattern of England and Wales. Licence returns do not identify individual brewers but it is possible to construct a picture of the changing pattern of brewing in the North East by tracking the fate of those firms brewing in 1890 (established in Chapter 2). The experience of these brewers is summarised in Table 28.

*Table 28 : Reasons for Change in Number of Brewing Firms  
in the North East, 1890–1914*

| Category | Nature of Change                            | Net reduction<br>in number of<br>firms | Number of<br>firms remaining<br>in 1914 |
|----------|---|--|---|
| A        | Amalgamation, followed by<br>takeover       | 9                                      | 2                                       |
| B        | Multiple acquisitions                       | 7                                      | 2                                       |
| C        | Brewers absorbing one other                 | 6                                      | 6                                       |
| D        | Scottish takeovers of North<br>East brewers | 1                                      | 2                                       |
| E        | Ceased brewing                              | 18                                     | —                                       |
| F        | Unchanged                                   | —                                      | 27                                      |
|          |   | <hr/> 41                               | <hr/> 39                                |

**Source :**

Newcastle Breweries Ltd Prospectus, 1890, Tyne & Wear Archives Service (TWAS) 2319/5; Newcastle Breweries Ltd Board Minutes, Books 1 & 2, TWAS 1463/6 & 7; Barber, N., *Where Have All the Breweries Gone?* (Swinton 1981) p.30; McMaster, C., *Alloa Ale. A History of the Brewing Industry in Alloa* (Edinburgh 1985) p.16; *Rivers of the North. Their Cities and Commerce* (1894) p.196; *Official Handbook of the Gateshead Corporation* (1951) p.37; Report on Sale of Mawson's Properties, Durham County Record Office D/HH/2/10/837; *Newcastle Daily Journal* 18.1.1890, 10.5.1890, 31.5.1890, 1.11.1890, 17.11.1891, 27.2.1892, 8.4.1893, 17.8.1895, 8.12.1896, 2.2.1899, 7.2.1905, 10.1.1906, 7.6.1906 and 24.5.1907; *Newcastle Daily Chronicle* 25.5.1895, 3.6.1896, 30.7.1896 and 6.12.1897; *Brewing Trade Review*, 1.9.1898, 1.4.1899, 1.6.1905, 1.3.1909 and 1.1.1910; *Brewers' Guardian* 17.2.1891, 24.10.1893; *Breweries and Distilleries* 20.6.1891; *Morpeth Herald* 17.11.1900; Information provided by Whitbread Archive.

The changes in category A resulted from the creation of two large regional combines and their subsequent acquisitions. The Newcastle Breweries Ltd. was formed when Barras & Co. combined with four other local firms, including the North Shields-based breweries of Carr and Allison, in 1890. This new organisation then took over the nearby firm of Falconar & Co. in 1893 and the city-centre brewery of Sanderson in 1898. In 1910 Newcastle Breweries moved into south Durham to acquire all the ordinary share capital of C. F. & M. Forsters' of Bishop Middleham.<sup>[3]</sup> The other important regional amalgamation was the formation of the North Eastern Breweries Ltd. in 1896. Amongst the participants in this fusion were the Sunderland breweries of Bramwell & Co. and Wm. Storey, and the Tudhoe Brewery of J. Junor. A few years later North Eastern Breweries took over the Teesside firm of Kirk Bros.<sup>[4]</sup>

In category B, another prominent brewer, J.W. Cameron, grew not by amalgamation but by a series of acquisitions. In 1894 it took over the Hartlepool firm of Nixey, Coleclough & Baxter (who had themselves absorbed Bishop Auckland's W. Cameron & Co. in 1891), followed by another Hartlepool company, Rickinson & Sons, in 1895. A few years later they acquired E.J. Sait & Co. and then in 1897 took over T.E. Chapman of Sunderland.<sup>[5]</sup> The only other North East brewer in this category, John Rowell & Sons Ltd., bought Wm. Turnbull of South Shields in 1896 and an interest in Matthew Taylor of Swalwell around 1901.<sup>[6]</sup>

Category C represents the six occasions during the period 1890–1914 when a brewer took over one other; in some cases a smaller, often near neighbour. Thus, when the Morpeth partnership of Hopper & Anderson was dissolved in 1900, Anderson paid £24500 at auction for all the properties and plant, and almost immediately bought another Morpeth brewery recently vacated by A.M. Loades. In 1910, J. Heslop of Billingham acquired the Grange Brewery, a few miles away at Norton, from the trustees of T. Heslop. In 1909 T. Lamb & Sons of Hetton-le-Hole



purchased the Rainton Brewery and in 1912 J. Nimmo took over Thomas Chilton of Seaham. In north Northumberland the Belford Brewery of G. Wright was acquired by its nearest competitor, the Border Brewery, in 1896. When, in 1907, Robert Henderson of Westoe Brewery retired, the business was purchased by Joseph Johnson of Durham after competition from Cameron's and North Eastern Breweries.<sup>[7]</sup>

Category D denotes the element of Scottish control of North East brewing, which arrived in 1895 when A. Arrol of Alloa incorporated Meikle's Arthur's Hill Brewery into its new company. Three years later another Alloa brewer, George Younger, acquired R. Fenwick & Co. of Sunderland and the Chester Brewery at Chester le Street. In 1901 Arrol made a second incursion into the region with its takeover of Dover & Newsome Baxter. This latter company had been formed in 1897 in a merger of brewers Newsome Baxter of Thornton-le-Moor and ale and spirit merchants Dover & Co. of Newcastle to takeover the Blandford Brewery vacated by the dissolved partnership of Ourbridge & Archibald.<sup>[8]</sup>

Categories A, B, C and D account for slightly more than half of the overall reduction in brewing firms, the remaining losses being due to the cessation of operations by brewers. In some cases it is possible to ascribe some probable cause and date to the firm's disappearance. For example, death or retirement explains the closure of Northumberland brewers Wardle in 1891 and Lamb in 1903, and accounts for the end of brewing in Newcastle by Sutter in 1902 and Jacob Wilkinson in 1906. When Munnoch of Gateshead died in 1902 repeated attempts to sell or let his premises and brewery plant failed, and in Tynemouth, the Openshaw partnership was dissolved in 1891.<sup>[9]</sup> In the early 1890s sales notices and subsequent directory entries point to the closure of the White Lion and Barras Bridge breweries in Newcastle, Smart's of Morpeth, Mitchell of Wooler and Dalton of Blaydon. These closures were followed by those of Fox of Norton Old Brewery in 1894, Bulmer of

Hunwick in the same year, and Crosthwaite's brewery at South Shields in 1895.<sup>[10]</sup> The Bank Brewery at Barnard Castle, however, continued until 1906. Although there had been changes in the partnership since McLean's death, it continued to be operated by Mawson as McLean & Co. and by 1906 had accumulated an estate of ten houses. When all the properties came up for auction, the brewery and its plant remained unsold, and was later let for other purposes.<sup>[11]</sup> In South Shields, Wood was reported to have given up brewing in 1905, although he remained in the drinks trade.<sup>[12]</sup> Three other brewers, Howe, Gilchrist and Pitloh, stopped appearing in directories around 1902.

The brewers in category E who, due to reasons of financial insolvency or a combination of size and lack of economic viability which discouraged continuance under new ownership, had the biggest numerical impact on the structure of brewing. But the future pattern of the North East brewing trade owed more to amalgamations of and takeovers by the larger firms. Also significant was the less obvious organic growth of some of those survivors such as Vaux, who neither merged with or absorbed other firms during the period 1891–1914. It was also the case that although some other breweries continued to brew throughout the period, they did not remain under the same ownership. The Monkseaton Brewery, for instance, changed hands as frequently after 1890 as it had done before. In 1891 George Wright, who ran it in conjunction with the Belford Brewery, was offering it for let and later tried to sell its plant. In 1898 he finally sold it and moved to the New Brewery, Brampton. The new owners, a local syndicate, overhauled the brewery and added an aerated water and bottling plant. A year later a new syndicate took over, which included Gateshead wine and spirit merchants Davison & Wood. In 1908 there were partnership changes and by 1913 the brewery was back on the market.<sup>[13]</sup>

The changing pattern of ownership in Table 28 represents a decline from the original 80 brewers in 1890 to around 57 in 1900 and down to 39 by 1914. This differs from the pattern indicated by brewers licences (Table 27) but only in timing, since both sources give a brewery population in Northumberland and Durham of 39 in 1914. Another source, the *Brewers' Almanack*, puts the figure at 37.<sup>[14]</sup> The divergence of figures before 1914 can be partly explained by the overlap of the date of licence returns and the calendar year, the approximations involved in dating the cessation of brewing and the unreliability of directories. Also, the precise ownership arrangements of parent and subsidiary companies, and the time lapse before rationalisation of brewery facilities closed particular breweries, may have maintained the need for separate brewing licences. Although there are discrepancies in available figures, we can take comfort from the fact that a contemporary commentator on the industry in 1895 regretted that it was "not possible to fix with exactitude either the number of brewers or breweries".<sup>[15]</sup>

Nonetheless, the period 1891–1914 was certainly one of declining numbers and equally, a period of increasing concentration. Appendix 6 shows that despite fluctuations in levels of activity and concerns about falls in consumption, 27% more materials were being used in North East breweries in 1914 than in 1890. No production figures for the region exist but national figures suggest that changes in inputs can be used as a reasonable proxy for changes in output.<sup>[16]</sup> This being the case, there must have been more beer brewed in the region in 1914 than in 1890 and brewed by less than half the number of brewers. Returns on materials used in each collection indicate that the North East's share of England and Wales' usage grew from 2.18% to 2.36% over the period.<sup>[17]</sup> The relative share of the two counties within this figure remained more or less constant during the period, with Durham consistently using one-and-a-half times Northumberland's quantities.

The North East's relative position with regard to the industry nationally is indicated by Table 29, which shows the predominance of Burton and London as brewing centres, with Manchester much the strongest of the provincial centres. Sunderland's level of activity approximates to that of other collections such as Derby and Norwich with similar numbers of brewers. Newcastle, however, compares unfavourably with those collections containing as many brewers. Whilst an average usage – based on a collection's total divided by its number of brewers – may not equate with any individual brewer's actual usage, it does act as a rough indicator of the varying degrees of concentration to be found nationally. Whilst Table 29 points to the structure of the North East brewing being unexceptional in general provincial terms, it also confirms the extent to which it is adrift, not only in terms of activity but also in concentration levels of the largest brewing centres. It could be argued, however, that given the national markets enjoyed by the leading London and Burton brewers, it is misleading to talk of them as regional brewers.

*Table 29 : Number of Brewers and Materials used  
in certain collections in England. 1914.*

| Collection | No of brewers | % of England &<br>Wales total of<br>materials used | Average Material<br>usage per brewer<br>(malt & malt equivalent<br>in bushels) |
|------------|---------------|--|--|
| Bolton     | 43            | 2.0  | 27496  |
| Bristol    | 28            | 2.1  | 44456  |
| Burton     | 36            | 11.3   | 185029   |
| Derby      | 21            | 1.6  | 45773  |
| Ipswich    | 34            | 1.4  | 23556  |
| Lancaster  | 38            | 2.1  | 31786  |
| Lincoln    | 37            | 0.7  | 11199  |
| London     | 78            | 29.2   | 219760   |
| Manchester | 33            | 5.7  | 102156   |
| Newcastle  | 21            | 0.9  | 25839  |
| Norwich    | 19            | 1.6  | 49479  |
| Sunderland | 18            | 1.4  | 46766  |

Source : Return of Brewers' Licences for 1914. (see p. 366 for full title).

The concentration of ownership and production in the North East brought with it a less fragmented geographical distribution (Table 30). Whilst the big combines of Newcastle Breweries and North Eastern Breweries (along with Cameron's) largely embraced firms in established urban brewing centres, it was the other takeovers in category C and particularly the closure of smaller breweries (category E) which had the greatest impact on the geographical distribution of brewing in the region. In rural Northumberland, for example, by the early years of the century brewing had ended in Belford, Harbottle, Wooler, Warkworth and Felton. Similarly, in County Durham previously important centres such as Bishop Auckland, Barnard Castle and Spennymoor no longer housed working breweries.

*Table 30 : Brewers Operating in the North East 1914*

| Location      | Number of<br>Brewers | Location                                   | Number of Brewers |
|---------------|----------------------|--|-------------------|
| Newcastle     | 9                    | Locations with one brewery each :          |                   |
| Darlington    | 4                    | Berwick, Blyth, Norton, Chester-le-        |                   |
| Sunderland    | 4                    | Street, Tweedmouth, Durham, Ovington,      |                   |
| South Shields | 3                    | Ovingham, Castle Eden, Houghton-le-Spring, |                   |
| Gateshead     | 2                    | Hetton-le-Hole, Alnwick, Morpeth,          |                   |
| Hartlepool(s) | 2                    | Monkseaton, West Auckland                  | = 15              |

Source : Appendices 2, 3 & 4 and as Table 28.

#### ***4.2.2 Incorporation and Capital***

The increasing concentration that occurred in the industry in the period 1890–1914 was facilitated by incorporation and financial restructuring. After 1889 many North East brewers sought limited liability status, some as private and others as public companies. Table 31 details some of those registering as private

companies. Since the adoption of this type of registration ruled out the provision of capital by the general public, it can be assumed that the prime motivation of these firms was to graft the protection offered by limited liability onto what remained, for all intents and purposes, a private or family partnership. For the less ambitious, retained profits would provide sufficient funds to meet subsequent capital requirements for improvements to premises and plant, and the possible extension of a small tied estate. For others, however, this format was but an intermediate step on the road to expansion and eventual public company status.

*Table 31 : Some Private Company Registrations in the North East  
1890–1914*

| Year | Company                | Capital details                     |
|------|------------------------|-------------------------------------|
| 1890 | Alnwick Brewery Co.    | £60,000 in £10 shares               |
| 1890 | W. Cameron & Co.       | £15,370 in £50 shares               |
| 1892 | Johnson & Darling Ltd. | £30,000 in £50 shares               |
| 1894 | Robinson Bros.         | £80,000 in £10 shares               |
| 1897 | M. Wood                | £57,000 in £1 shares (£15000 pref)  |
| 1898 | Ridley Cutter & Firth  | £70,000 in £10 shares (£40000 pref) |

Source : *Brewers' Guardian* 30.9.1890, 6.12.1892 and 17.7.1894; *Newcastle Daily Chronicle* 4.9.1897 & 8.1.1898.

The public flotation of brewery companies was stimulated by the much-publicised, heavily over-subscribed Guinness conversion in 1886. Accurate figures are not available but one report in 1890 claimed that the number of joint-stock breweries had increased tenfold in three years.<sup>[18]</sup> A more recent survey suggests that by the end of 1890 another 86 successful flotations had followed that of Guinness.<sup>[19]</sup> Flotation continued through the decade and into the new century, and in many cases flotation and merger went hand in hand. Figures compiled by Baxter, although not complete, can be used to show the general pattern of incorporation and acquisition (Table 32).

*Table 32 : Incorporation of, and Acquisitions by,  
Brewery Companies listed in the Stock Exchange Yearbook  
of 1936, during the period 1890–1914*

| Year | Number<br>Incorporated | Number<br>Absorbed | Year | Number<br>Incorporated | Number<br>Absorbed |
|------|------------------------|--------------------|------|------------------------|--------------------|
| 1881 | 1                      | 1                  | 1899 | 14                     | 32                 |
| 1882 | 1                      |                    | 1900 | 3                      | 12                 |
| 1883 |                        |                    | 1901 | 2                      | 5                  |
| 1884 |                        |                    | 1902 |                        | 7                  |
| 1885 | 2                      |                    | 1903 | 3                      | 10                 |
| 1886 | 4                      |                    | 1904 | 1                      | 5                  |
| 1887 | 14                     | 7                  | 1905 |                        | 6                  |
| 1888 | 25                     | 9                  | 1906 | 2                      | 2                  |
| 1889 | 19                     | 12                 | 1907 | 1                      | 1                  |
| 1890 | 16                     | 18                 | 1908 |                        | 1                  |
| 1891 | 11                     | 7                  | 1909 |                        | 2                  |
| 1892 | 5                      | 3                  | 1910 |                        | 5                  |
| 1893 | 3                      | 1                  | 1911 |                        | 4                  |
| 1894 | 14                     | 2                  | 1912 | 1                      | 8                  |
| 1895 | 22                     | 19                 | 1913 |                        | 10                 |
| 1896 | 37                     | 38                 | 1914 |                        | 4                  |
| 1897 | 33                     | 26                 |      |                        |                    |
| 1898 | 21                     | 33                 |      |                        |                    |

Source : Baxter, J. *The Organisation of the Brewing Industry* (Unpub. PhD Thesis, London University, 1945) Tables 26 & 29 pp. 76 & 81.

Baxter's analysis points to company formation centring around two peaks in 1888 and 1896. From Table 33 it seems that the North East brewers were slow to participate in the immediate post-Guinness public formation. This is understandable since pre-1890 conversions were said to be mostly "very large concerns"<sup>[20]</sup> whereas the North East's important brewers were relatively small. However, the second wave of activity embraced smaller undertakings and the region felt the effects. A third, minor wave, identified by the *Brewers' Weekly* in 1900 as "the grateful appearance of joint-stock companies' prospectuses in the dailies",<sup>[21]</sup> was noticeable not for its size or strength but because it followed a period of depression in the trade. Nonetheless, as we see from Table 33, some North East brewers joined this later movement.

*Table 33 : Capital Structures of some North East  
Public Companies at Flotation, 1890–1914*

| Year              | Company                        | Total<br>Capital<br>£ | % of Authorised Capital |                      |            |
|-------------------|--------------------------------|-----------------------|-------------------------|----------------------|------------|
|                   |                                |                       | Ordinary<br>Shares      | Preference<br>Shares | Debentures |
| 1890              | Newcastle Breweries            | 700,000               | 29                      | 29                   | 42         |
| 1890              | Nixey, Coleclough, &<br>Baxter | 115,000               | 26                      | 26                   | 48         |
| 1891              | Blyth & Tyne                   | 60,000                | 100                     |                      |            |
| 1891              | W.B. Reid                      | 360,000               | 42                      |                      | 58         |
| 1893              | Falconar                       | 75,000                | 33                      | 33                   | 33         |
| 1894              | Jas. Deuchar                   | 270,000               | 26                      | 26                   | 48         |
| 1894              | J.W. Cameron                   | 600,000               | 29                      | 29                   | 42         |
| 1896              | R. Fenwick                     | 500,000               | 25                      | 25                   | 50         |
| 1896              | North Eastern Breweries        | 800,000               | 31                      | 19                   | 50         |
| 1896              | Simson & McPherson             | 350,000               | 29                      | 29                   | 42         |
| 1897              | Dover & Newsome Baxter         | 220,000               | 23                      | 23                   | 54         |
| 1898 <sup>1</sup> | Jas. Deuchar                   | 600,000               | 33                      | 25                   | 42         |
| 1898              | John Rowell                    | 165,000               | 30                      | 33                   | 37         |
| 1899              | Duncan & Daglish               | 310,000               | 23                      | 23                   | 54         |
| 1900              | Border Brewery Co.             | 110,000               | 23                      | 23                   | 54         |
| 1900              | J.H. Graham                    | 400,000               | 50                      | —                    | 50         |

<sup>1</sup> Jas. Deuchar restructured in 1898.

**Source :** Newcastle Breweries Ltd. Prospectus, 1890, Tyne & Wear Archive Services 2319/5; *Newcastle Daily Chronicle* 12.5.1891, 7.3.1893, 26.7.1894, 1.12.1894, 8.2.1896, 17.11.1896, 8.12.1896, 29.7.1897, 12.10.1898, 24.6.1899 and 10.12.1900; *South Durham Herald* 26.7.1890; *Blyth Weekly News* 12.9.1891; *Berwick Journal* 31.5.1900.



An early important flotation was that of the Newcastle Breweries. This was an amalgamation of John Barras & Co., W.H. Allison & Co., J.J. & W.H. Allison & Co., Swinburne & Co., and Carr Bros. & Carr. Apart from the recently modernised Tyne Brewery, only two other firms, W.H. Allison & Co. and Carr Bros. & Carr, possessed brewing facilities, and it was the stated intention of the directors that these would eventually be closed and the work transferred to Newcastle.<sup>[22]</sup> Extra brewing capacity was not therefore the attraction of the merger, but the amalgamation of tied estates. This was confirmed by the inclusion in the scheme of J.J. & W.H. Allison & Co. and Swinburne & Co., who were ostensibly wine and spirit merchants who possessed strings of licensed property. The value of combining with wine and spirit merchants was evidently recognised in the other large North East flotation, in 1896, of the North Eastern Breweries Ltd. This was promoted by Richard Murray, a wine, spirit and ale merchant of Sunderland and Consett, and also included the Sunderland ale and porter bottling and aerated water business of Thos. Elwen & Son.<sup>[23]</sup> Similarly, other firms who were not directly engaged in brewing but were prominent in the drink trade were amongst the constituent firms that formed the mergers that became Nixey, Colelough & Baxter; W.B. Reid; Simson & McPherson; and Dover & Newsome Baxter. Companies that later considered it worthwhile to absorb firms involved in licensed victualling or other affiliated arms of the drink trade were Rowell's, Jas. Deuchar and Newcastle Breweries.<sup>[24]</sup>

The public flotation of North East companies, with some of the more significant also incorporating amalgamations, mirrored not only what was happening in the industry generally but the developments taking place across much of manufacturing industry in the 1890s.<sup>[25]</sup> The negotiation of mergers and the conversion of private firms to public company status were often handled by

experienced company promoters and there is some evidence that this occurred in the case of the Newcastle Breweries. H.O. O'Hagan, a financier who promoted some brewing flotations after an earlier involvement with tramways, dealt with the Newcastle Breweries issue "in the ordinary course of business".<sup>[26]</sup> The flotation of the Newcastle Breweries provoked a long and critical leader in the trade paper, *Breweries and Distilleries*.<sup>[27]</sup> It voiced particular concern about certain omissions in the prospectus, including the absence of a proper statement of valuation of properties and goodwill, the lack of detail with regard to turnover and the trend of profits over a number of years. Calling the prospectus a remarkable document, *Breweries and Distilleries* considered it alongside that of Barras & Co. a year earlier. In this latter prospectus the Tyne Brewery, the Gateshead malting, 71 licensed properties, stocks and goodwill were all valued at £135,612. The Newcastle Breweries' package of three breweries, three malthouses, 215 licensed houses etc., could be regarded as roughly three times the size of the Barras business. This, suggested the trade paper, would have put the worth of the new firm at around three times Barras's £135,612, that is, about £406,000. However, the price set by the promoters of the company was £606,000 plus some, by then undecided, amount for plant, fittings, stocks etc. *Breweries and Distilleries'* concern about the lack of detailed information, alongside the unexplained inflation in asset values over the period of a year, were testimony to the promotional skills of those managing the flotation. The Newcastle Breweries' launch also illustrates the atmosphere in the market at that time, whereby investors, despite having imperfect knowledge, felt confident enough to subscribe to the brewery enterprise and thereby endorse the promoters' valuation.

The capital structure of public brewing companies consisted of share capital (both ordinary and preference) and loan capital in the form of debentures. Table 33 shows that ordinary and preference shares tended to be given equal weighting by

North East firms, whilst debentures were a critical part of the overall capital structure. From a survey of the industry undertaken by the *Statist* in 1909 a broad picture of the relative popularity of different types of capital can be drawn. This shows ordinary shares to represent 27.5% of total capital, preference shares 28.9% and debentures 43.6%.<sup>[28]</sup> The capital structures of the North East brewers (Table 33) coincides with this national picture. Interestingly, it has been argued that in the economy as a whole from 1895, and later in the brewing industry, an overall shift took place in new issues towards preference shares and away from debentures.<sup>[29]</sup> For many brewers in the North East, however, it seems that their growing property holdings (upon which debentures could be secured) made them, at least at the time of their original issue, a relatively easy way of raising capital without relinquishing control. For example, Newcastle Breweries' debenture issues were always oversubscribed, with an issue in 1896 of £250,000 of 4% – priced at 107 – attracting £589,220 worth of applications.<sup>[30]</sup>

Table 33 shows that despite similar breakdowns in share and loan capital, North East firms displayed a wide range in the actual size of the total authorised capitals. Stopes' 1895 classification of 404 public and private companies (summarised in Table 34) includes five North East firms in category C and four in D, although Stopes' survey has overlooked three other firms registered by 1895 which would qualify for inclusion in category D. Notwithstanding the fact that Newcastle Breweries would have qualified for category B one year later with its increased authorised capital, Stopes' work confirms that in capital terms, as with levels of activity discussed earlier, North East firms were at best of average size. Indeed, most of the local incorporations after 1895 and before 1914 had capitals which put them in the lowest category or in the lower levels of the category C range. This was at a time when the giants of the industry were emerging : only eleven years after Stopes' analysis, Macrosty was calculating that 37 firms had

capitals of in excess of £1 million.<sup>[31]</sup> In 1914 there were six firms with capitals of more than £2 millions.<sup>[32]</sup>

The foregoing discussion of authorised capitals may provide an indication of the size or ambition of a particular company but it gives no indication of the degree of public involvement in the running of such concerns. The invitation to the public to provide capital was only a partial invitation and precluded the public from wresting control of the company from those few private individuals who formerly ran the business. Table 35 proves that in the North East Cottrell's conclusion that the growth in public brewing companies elsewhere in the country "did not lead to outside shareholders gaining control of their assets"<sup>[33]</sup> holds true. Voting powers were only attached to ordinary shares and such capital was usually taken up by the vendors as part or all of the purchase consideration. A survey, albeit by those hostile to the trade, considered 116 brewing companies in 1907 with joint capital of £79 millions and found profits distributed amongst only 861 families.<sup>[34]</sup>

*Table 34 : Companies Registered 1860–1895 in Great Britain  
Devoted Exclusively to Brewing, divided into Four  
Categories according to Size of Capital*

| Category       | Capital<br>Size | No of<br>Firms | Total<br>Authorised | Ordinary<br>Shares | Preference<br>Shares | Debentures<br>or<br>mortgages |
|----------------|-----------------|----------------|---------------------|--------------------|----------------------|-------------------------------|
|                |                 |                | £m                  | £m                 | £m                   | £m                            |
| A              | Over £4m        | 2              | 10.08               | 3.86               | 3.36                 | 2.86                          |
| B              | £1m–4m          | 16             | 33.59               | 11.99              | 9.35                 | 12.25                         |
| C <sup>1</sup> | £100,000–£1m    | 147            | 47.17               | 17.42              | 11.09                | 18.66                         |
| D <sup>2</sup> | Under £100,000  | 189            | 7.53                | 1.31               | 1.04                 | 0.89                          |

<sup>1</sup> There are another 50 firms in this category with undivided share capital of £8.37m.

<sup>2</sup> There is another £3.89m total capital in this category but the division is unknown.

Source : Stopes, H., *Breweries Companies* (London 1895) p.41.

*Table 35 : Maintenance of Control by Proprietors of some North East Brewery Companies 1890–1900*

| Year | Company                       | % of issued<br>voting shares<br>taken by<br>vendors | % of purchase<br>price taken<br>in capital | % of issued<br>capital taken<br>by vendors |
|------|-------------------------------|---|--|--|
| 1890 | Nixey, Coleclough<br>& Baxter | 50  | 52   | 50   |
| 1892 | Blyth & Tyne                  | 60  |  | 60   |
| 1893 | Falconar                      | 100   | 45   | 44   |
| 1894 | Jas. Deuchar                  | 100   | 52   | 52   |
| 1896 | North Eastern<br>Breweries    | 100   | 86   | 63   |
| 1896 | R. Fenwick                    | 100   | 46   | 46   |
| 1897 | Dover & Newsome<br>Baxter     | 100   |  | 23   |
| 1898 | Jas. Deuchar                  | 100   |  | 100  |
| 1899 | Duncan & Daglish              | 100   | 23   | 23   |
| 1900 | Border Brewery Co.            | 100   |  | 44   |

**Source :** *Newcastle Daily Chronicle* 7.3.1893, 26.7.1894, 17.11.1896, 8.12.1896, 27.7.1897, 24.6.1899 and 12.10.1898; *South Durham Herald* 26.7.1890; *Blyth Weekly News* 12.9.1891; *Berwick Journal* 31.5.1900.

Authorised capital totals do not necessarily equate with issued capitals. Companies, particularly those formed with the largest authorised totals, retained a part of their capital for subsequent issue when circumstances required further funds. Nor indeed was the authorised capital itself permanently fixed : it could, and often was, increased when need arose. Further issues of capital were often made to finance takeovers and Baxter's analysis of capital changes, depicted in Table 36, shows a

correspondence with the pattern of takeover for the same firms (Table 32). Table 37 provides examples of capital issues by North East firms to assist acquisition, although issues were made for other reasons.<sup>[35]</sup>

*Table 36 : Number of Increases and Decreases in Capital, 1890–1914, by Brewery Companies listed in the Stock Exchange Yearbook for 1936.*

| Year | Number<br>Increasing<br>Capital | Number<br>Decreasing<br>Capital | Year | Number<br>Increasing<br>Capital | Number<br>Decreasing<br>Capital |
|------|---------------------------------|---------------------------------|------|---------------------------------|---------------------------------|
| 1890 | 5                               |                                 | 1903 | 13                              | 1                               |
| 1891 |                                 | 1                               | 1904 | 5                               | 1                               |
| 1892 | 1                               |                                 | 1905 | 7                               |                                 |
| 1893 | 2                               |                                 | 1906 | 4                               | 2                               |
| 1894 | 2                               | 2                               | 1907 | 3                               |                                 |
| 1895 | 5                               | 1                               | 1908 | 2                               |                                 |
| 1896 | 12                              |                                 | 1909 | 2                               | 3                               |
| 1897 | 19                              |                                 | 1910 | 4                               | 3                               |
| 1898 | 20                              |                                 | 1911 | 2                               | 1                               |
| 1899 | 20                              |                                 | 1912 | 4                               | 3                               |
| 1900 | 8                               |                                 | 1913 | 2                               | 2                               |
| 1901 | 10                              |                                 | 1914 | 4                               | 2                               |
| 1902 | 7                               |                                 |      |                                 |                                 |

Source : Baxter (1945) Table 27, p.78.

For the most part, restructuring meant increasing authorised and issued capitals to keep pace with the boom enjoyed by brewing companies during the 1890s. By the turn of the century, however, as the property boom collapsed, some firms were paying the penalty for their participation in an increasingly competitive

industry and their dependency on fixed interest, sometimes cumulative, preference shares and debentures. Restructuring now meant rescue operations to avoid financial failure. Whilst the most dramatic measures were confined to some nationally-famous, if over-capitalised, companies elsewhere, there were some North East reductions in capital. There were also some large capital increases with Robt. Deuchar increasing its share capital by 133% in 1900. Jas. Deuchar, on the other hand, restructured completely in 1898.<sup>[36]</sup> The first decade of the twentieth century also brought with it redemption dates for some of the debenture issues of the 1890s and breweries were able to come to arrangements to reschedule these. For instance, Newcastle Breweries extended its first mortgaged debentures for another 21 years in 1911 and Rowell's renewed two debenture issues for 15 years from 1911.<sup>[37]</sup>

*Table 37 : Some Capital issues by North East Brewery Companies  
to Finance Takeovers 1896 – 1900*

| Year | Company issuing capital | Details  |
|------|-------------------------|--|
| 1896 | John Rowell             | Conversion to public company and increased capital to £165000 to purchase businesses of J.M. Bruce, Wm. Turnbull & Co., and Gilpin & Co. |
| 1896 | J.W. Cameron            | Issue of £100000 debentures to finance purchase of Nixey, Coleclough & Baxter and Rickinson & Sons.                                      |
| 1897 | J.W. Cameron            | Issue of £25000 debentures to provide money for business and assets of T.E. Chapman & Sons.  |
| 1898 | Newcastle Breweries     | Issue of debentures to buy Sanderson & Co.   |
| 1899 | North Eastern Breweries | Increase in share capital and issue of debentures to complete purchase of the business of Kirk & Co.                                     |
| 1899 | Robt. Deuchar           | Issue of preference shares to exchange for shares in Simson & McPherson.   |
| 1900 | Robt. Deuchar           | Issue of £250000 debentures to purchase the Duddingston Brewery.   |
| 1900 | Jas. Deuchar            | Issue of debentures, some allotted to R. Emmerson in part payment.   |

**Source :** Newcastle Breweries Ltd Board Minutes, Book 1, Tyne & Wear Archives Service 1463/6; *Newcastle Daily Chronicle* 3.6.1896, 30.7.1896, 6.12.1897, 26.5.1900 and 26.11.1900; *Brewing Trade Review* 1.6.1899.

#### **4.2.3 Extra-regional Takeovers**

Category D of Table 28 and the discussion on p.106 shows that for two Scottish brewers, who like their English rivals could raise the necessary capital, there was the opportunity to improve market share by takeover or amalgamation. A new company, Archibald Arrol & Son Ltd., was floated in 1895 and incorporated with it the Newcastle businesses of John Meikle and Wm. Turnbull, with John



Meikle joining the board of Arrol's. By 1899 Arrol's reported greatly increased output at their Alloa and Newcastle breweries, and in 1901 the company acquired the ordinary and preference share capital of Dover & Newsome Baxter of Newcastle and Thornton-le-Moor.<sup>[38]</sup> In 1909 Arrol's annual meeting was told that the shares in Dover & Newsome Baxter had yielded a return for the first two years but "there never was the success anticipated, and in spite of all efforts to acquire additional trade, ground has been lost steadily".<sup>[39]</sup> Arrol's therefore closed the Thornton-le-Moor brewery and disposed of it to another Alloa firm, Calders.<sup>[40]</sup> As we saw on p.106, George Younger of Alloa bought two businesses in Sunderland and Chester-le-Street in 1898. This was financed by a capital issue of 12,500 new ordinary shares, all at £10.<sup>[41]</sup>

The transfer of ownership between Scotland and the North East was not all one way. On three occasions, North East firms bought breweries in Scotland. The least successful of these initiatives was taken not by brewers but by a group of Newcastle businessmen otherwise involved in the drink trade, who formed a consortium to pay £13,000 for Meiklejohn's Bass Crest Brewery at Alloa. The new owners of the brewery were John Fitzgerald, J. Mackay & Co., Taylor & Bell and Henderson & Sons. This consortium of wine and spirit merchants and licensed victuallers could muster between them a number of public houses on Tyneside, but their venture into brewing was short-lived. The brewery's name, trade mark and publicity material had regularly invited threat of legal action from Bass, Ratcliff & Gretton and McMaster points out that

although as far as can be ascertained the litigation proved inconclusive, it was obviously a severe drain on the reserves of a relatively small company such as the Bass Crest Brewery Co. which had trouble serving its market in the North East of England. To rid themselves once and for all from the situation of continual watchfulness and attendant litigation, Bass, Ratcliffe and Gretton arranged in late 1918 to purchase the Bass Crest Brewery Co.<sup>[42]</sup>

Two other moves into Scottish brewing, by brothers Robt. and Jas. Deuchar, led to the eventual transfer of all their brewing activity north of the border. Robt. Deuchar made a two-pronged entry into Scottish brewing by firstly buying an Edinburgh brewery and secondly, by taking over another brewing business in Scotland. In 1899 Robt. Deuchar, whose business was based at the Sandyford Brewery, Newcastle, was represented at an auction in Edinburgh when the 45 quarter Duddingston Brewery, built in 1896, came up for sale for the second time. The property had belonged to the recently liquidated Pattisons Ltd. and was put up at a reduced upset of £30,000 and was knocked down at that price to Robt. Deuchar. Shortly afterwards he told shareholders that the acquisition of Duddingston Brewery proved more satisfactory than anticipated. Not only had it enabled Deuchar's to brew all the Scotch ales for the tied trade which had previously been bought in, but had also earned "considerable income from sales to free customers with whom a large and increased trade is already done in England and Scotland".<sup>[43]</sup>

Within a month of the Duddingston purchase, Robt. Deuchar took control of Simson & McPherson by allotting the former owners preference shares in the Deuchar company. Simson & McPherson was a 1896 merger of a Scottish brewing firm and a Newcastle wine and spirit merchant. James Simson & Son, founded in 1839, owned breweries in Edinburgh and Melrose. The Canongate Brewery in Edinburgh drew on well-water that was judged to have the special qualities required for good Scotch beers, whilst the Abbey Brewery at Melrose on the other hand, had been adapted for the production of stout and porter. The other

participant in the merger, John McPherson, had come to Newcastle as agent for a Scottish brewery but set himself up as a wine and spirit merchant in 1862. He also acted for 25 years as sole agent for Drybrough & Co. of Edinburgh and gradually accumulated an estate of licensed houses. In phrases that echoed those in Robt. Deuchar's prospectus, Simson & McPherson's formation was intended to increase trade by "supplying from Messrs. Simson's brewery, the Scotch beer hitherto purchased elsewhere" and by the "further increase of tied trade in England for Scotch ales".<sup>[44]</sup>

Following the takeover of Simson & McPherson, Robt. Deuchar began to rationalise his production, terminating brewing at Simson's Edinburgh site but continuing to use the maltings. The Melrose Brewery concentrated on stouts and porters for some time until downgraded to storage. Production was concentrated at Duddingston and to meet the increased output a further well was required by 1912. Beers were sent south to Deuchar's North East customers by rail, using the Border Counties line of the North British Railway.<sup>[45]</sup>

Jas. Deuchar, owner of the Monkwearmouth Brewery with a large tied estate in Northumberland and Durham, bought the Lochside Brewery, Montrose, in 1900. The brewery, previously owned by Wm. Ross & Co., offered extensive facilities, being fitted with a 40 quarter plant and 76 quarter malt houses. Jas. Deuchar began to ship beer south to his North East houses by steamer.<sup>[46]</sup>

Not all Scottish initiatives by North East brewers were as successful as those of the Deuchars. The Border Brewery Co. at Berwick, situated mid-way between the large urban markets of the North East and Scotland, looked towards Scotland more for survival than expansion. In 1904 the firm decided to appoint an agent or traveller for the Glasgow district, following efforts directed at clubs in the Edinburgh area. However, the business built up with clubs had produced bad debts and some losses. At the annual meeting in 1905 one shareholder expressed great

dissatisfaction that the company had "undertaken such dangerous business" with such clubs "whose tenants were utterly irresponsible and were not trusted by Edinburgh brewers".<sup>[47]</sup> The directors then decided to "approach Archibald Arrol or some other brewer with a view to some arrangement for amalgamation or sale"<sup>[48]</sup> Nothing materialised from this initiative, but in 1910 the directors were negotiating with Falkirk brewers, Jas. Aitken, although the proposed scheme of amalgamation broke down.<sup>[49]</sup>

The North Eastern Breweries Ltd. made a unique move at the turn of the century when, instead of setting its sights on a Scottish production base like some, it purchased a brewery in Burton on Trent. The Broadway Brewery of Booth & Co. was bought with a view to supplying North Eastern Breweries' tied houses with a genuine Burton brew of its own making. Since the company was incorporated, it had been paying between £30,000 and £40,000 per year for Burton-made products. The Broadway Brewery, covering an acre of ground, was re-equipped with new plant before beginning operations in 1900. Shareholders were told that the intention was to run the new brewery as an outside factory without office staff, expenses were to be minimal and orders sent to them would be fulfilled almost as if the brewery was within half a mile of Sunderland. The main attraction of the project was the advantage of Burton waters, allowing them to brew the beers "which the public undoubtedly liked".<sup>[50]</sup>

#### ***4.2.4 Rationalisation, Improvement and Diversification***

We have seen that the period from 1890 was one of concentration. Scale economies demanded that production was rationalised, which in turn required the closure of some facilities and expansion of the remaining breweries. This process of both centralisation and extension had to proceed within existing constraints and no two breweries followed precisely the same pattern but, despite varying in

arrangement and construction, most had conformed to the gravitation principle where practicable. One effect of the concentration process had been to place brewing firmly in the hands of urban brewers and for many of them future expansion was to take place within the confines of an existing site and may have therefore fallen short of the ideal solution.<sup>[51]</sup>

The larger brewers, created as a result of merger and acquisition, dealt with the twin questions of rationalisation and capacity in a piecemeal fashion and at a rate largely determined by their takeover activity and their move into the allied trades such as aerated waters and wine and spirits. Cameron's, for example, gradually reconstructed its brewery at West Hartlepool throughout the 1890s such that by the end of the decade they had a 70 quarter brewery capable of turning out 2500 barrels of beer per week. A new yeast room and fermenting rooms were built in a separate block and cellars ran under most of the site. Three of the firms Cameron's took over (E.J. Sait, A. Chapman, W. Cameron) were conveniently located for conversion to depots and offices at Stockton, Sunderland and Bishop Auckland. The Stockton buildings were re-built in 1898, providing stores alongside their own wharf and beer cellars with hydraulic lifts driven by gas.<sup>[52]</sup>

At Newcastle Breweries moves were quickly made to centralise brewing operations in that city. Brewing was terminated at the High and Low Breweries at North Shields and work at the Tyne Brewery had raised its capacity by 50% and obviated the need for night work. The North Shields premises became the focus for the firm's wine and spirit business and later an aerated water plant was added. By 1896, with the purchase of the Haymarket Brewery, the company acquired a one quarter acre site which was cleared and then developed over three years to accommodate new wine and spirit stores, mineral water factory, beer bottling plant, stabling for 36 horses, blacksmith's forge, coopers' and joiners' shops. In 1900 £15,000 was spent on new plant and machinery for the Haymarket building. Space

was still limited, however, and a ginger beer factory had to be built on a new site nearby. At the Tyne Brewery itself, Newcastle Breweries continued to carry out improvements with £17000 being spent, for example, in 1914.<sup>[53]</sup>

The North East Breweries were preparing at the end of 1897 to leave their Moor Street Brewery in Sunderland and in 1902 closed the Tower Brewery at Tudhoe for "purposes of economy and concentration", allowing them to report in 1903 that reduced expenses and better supervision over brewing operations (by now concentrated at the Wear Brewery) had followed. The company had earlier spoken of removing the whole of their brewing operations from Sunderland to Spennymoor and Stockton but this would seem to have been a threat aimed as a protest against the rating authority. Another brewer, Nimmo, removed the plant from the old North Riding Brewery immediately after taking possession and adapted it as a depot.<sup>[54]</sup>

One brewer, Clayhills of Darlington, chose in 1894 to demolish and completely rebuild and refit the 10 quarter Houghton Road Brewery in accordance with the tower principle.<sup>[55]</sup> Others rebuilt, but not from choice. Robinson Bros. rebuilt their Houghton-le-Spring brewery in 1910, a year after it had been destroyed by fire. Nevertheless, the opportunity was seized to construct a 22 quarter plant with the most recent advances in brewery engineering. Amongst the equipment installed was a Harrison's wort regulator which had only come onto the market two months earlier. Fire also dictated the rebuilding of Forster's Bishop Middleham Brewery in 1899, and excavations for a new variety theatre caused the collapse of Jacob Wilkinson's three-storey brewery. The rebuilding of this small four quarter brewery at the rear of a Newcastle public house went very much against the trend towards larger units and this was indeed verified three years later when the new brewery closed.<sup>[56]</sup>

General, unspecified alterations were made at many North East breweries. Fenwick's made what were described as "considerable modifications and additions" to their Sunderland brewery in 1897, and sizeable extensions were made to the Leazes Brewery of W.B. Reid in 1899, including a new beer storage building erected on a field adjacent to the brewery. Around the turn of the century further additions to brewing facilities were made at Cameron's and Clayhills' breweries, thus illustrating the dynamic nature of brewing in the North East during this period. In 1913 brewing was suspended at Rowell's to allow structural alterations to be carried out in the brewery and the installation of larger brewery plant.<sup>[57]</sup>

Within this overall pattern of improvement and extension, brewers were modernising or replacing equipment in vital areas. The most basic of raw materials, water, was becoming increasingly important and Nimmo's brewery, for instance, was using 40,000 gallons per day around the turn of the century. It was estimated that one barrel of beer required 1½ barrels in the brewing and another 12 barrels for cleaning, refrigerating and other purposes, and North East brewers continued to ensure adequate supplies by sinking new wells. At Warwick's Brewery in Darlington, Coulson & Co. of Durham spent three months of 1891 boring an artesian well before reaching a "seemingly inexhaustible supply" from the magnesium limestone strata. In 1901 the Border Brewery augmented their water supply by sinking a 200 foot borehole in garden ground belonging to the brewery.<sup>[58]</sup>

The boiling of hops and wort remained a critical step in the brewing process and coppers were renewed at a number of North East breweries, with Rowell's, for instance, fitting a new pressure copper.<sup>[59]</sup> It was a time also when wooden mash tuns were being superseded by metal or lined with copper. Rowell's and Cameron's, for example, bought new tuns and put up new buildings to house them, whilst the West Auckland Brewery prolonged the life of existing wooden vessels by relining as well as buying new ones. The main expenditure on equipment at Newcastle

Breweries in 1900 was over £2000 on three fermenting tuns.<sup>[60]</sup> Other improvements were made by brewers in the areas of cask washing, grain drying, mashing, cooling and conveyors.<sup>[61]</sup>

As well as the increased contribution made by engineering, the applications of electricity were growing and were said in 1900 to be "invading the brewery in many ways".<sup>[62]</sup> In the North East, for example, Newcastle Breweries had installed a system of electronic elevators and hoists and Fenwick's of Sunderland built new bonded stores in 1896 fitted with electric power.<sup>[63]</sup> In 1910 Nimmo's installed electrical plant throughout the brewery such that "all the work of lighting, heating and driving was accompanied by electricity".<sup>[64]</sup> By 1914 the *Brewing Trade Review* claimed that the electric motor, previously seen by many brewers as a luxury, was now a necessity.<sup>[65]</sup>

Changes also took place in the affiliated activities of malting and, more especially, in the production of mineral waters and the preparation of bottled beers. Malting, as a separate activity, had been subject to the same structural changes as brewing itself.<sup>[66]</sup> Amongst North East brewers who prepared their own malt there were contrasting developments. Some, particularly the larger firms, took initiatives which ensured they could meet their own requirements, whilst some smaller brewers vacated their maltings and allowed specialised maltsters to occupy them as branches of their own malting business. In this latter category were brewers at Sunderland and Darlington.<sup>[67]</sup> In 1898 the North Eastern Breweries leased a malt bin previously used by R. Fenwick & Co. in order to cut down on purchases. At this stage the company were buying two or three thousand quarters of malt each year because they did not have the capacity to produce it themselves.<sup>[68]</sup>

Of those who improved their own malting operations, it was Cameron's who took the lead in 1899 when they built a new malting of three working floors which met the company's own special needs and secured cost savings, although within a



few years the company was having to buy in some supplies and extra capacity was required. The state of the art in malting at this time was the pneumatic form of mechanical malting which had particular attractions for brewers on restricted sites, calling for smaller buildings and less space. The system had become popular in America and on the Continent but was relatively rare in Britain. So in 1908, when a pneumatic maltings was designed and built for Cameron's, it attracted favourable comment in the trade press. A large addition was made to Cameron's system in 1913.<sup>[69]</sup> Jas. Deuchar also had considerable improvements made when he took over the Monkwearmouth Brewery, including a large five storey extension with barley floor, two malting floors and a kiln floor.<sup>[70]</sup> Updating of malthouse and malt kilns also occurred elsewhere in the North East.<sup>[71]</sup>

The considerable market for aerated waters became a lucrative market for brewers to enter.<sup>[72]</sup> As previously mentioned, some brewers acquired mineral water plants as the by-product of amalgamation or take-over. Then, as the brewers' commitments to such products grew, many built or renewed manufacturing plants; amongst them R. Fenwick in 1896, North Eastern Breweries in 1898, Cameron's and W.B. Reid in 1899, and the West Auckland Brewery Co. in 1907. The Alnwick Brewery Co. at first bought the right to use the bottles and labels of another local manufacturer, Miller & Blayney, before erecting a factory of their own in 1906.<sup>[73]</sup>

The technology and experience developed through the packaging of mineral waters, allied to the public demand for lower gravity beers which did not keep well in casks, provided the impetus for the growth of the bottled beer market. In 1906 the Daily Telegraph reported that "the dominant feature of the Brewers' Exhibition is the triumph of bottled beer".<sup>[74]</sup> There had earlier been reluctance amongst brewers to meet the increasing demand for such products because it entailed setting up labour-intensive bottling departments, increased capital and transport costs, and

all for lower profit margins than draught beer. But by the 1900s leading brewers had come to recognise the value of the bottled trade and were taking steps to mechanise the process. Earlier bottling methods involved hard labour and were often carried out in an unco-ordinated way. In 1900 the Yorkshire and North Eastern Institute of Brewing meeting in Newcastle was told that labour accounted for almost 70% of the total cost of the bottling process and 10% of the total production cost of the bottled product.<sup>[75]</sup>

Bottling was quickly taken up by brewers in the North East. In 1894 Cameron's opened a bottling factory in the old Rickinson's brewery, and in 1907 a new bottling hall opened by Vaux exemplified the correct balance between different types of machinery and the use of conveyor belts to cut down the handling of bottles and cases. This overcame two of the industry's main concerns of heavy wage costs and losses through breakage. In one case this latter problem added 7% to the cost of bottling and was of particular concern at Rowell's in 1913. At North Eastern Breweries, whilst the new bottling hall was working successfully, the company had to write off £20,000 on the waste and destruction of bottles, prompting them to press for a deposit system.<sup>[76]</sup> However, the fact that brewers were attending to bottling operations and seeking cost-effective solutions was testimony to the growth of demand as the wickered gallon jar had given way to the four-quart crate. To meet this demand, brewers were required to develop distribution networks and by the turn of the century Vaux, for example, ran bottling stores at Newcastle, Middlesbrough, Spennymoor and Leeds.<sup>[77]</sup>

### 4.3 THE RETAIL TRADE

#### 4.3.1 *The Acquisition of Licensed Property*

The arguments for and against the tied house system were widely aired by both drink interests and their opponents, and the vigour with which the brewers defended the system indicated their growing awareness of the advantages of exercising greater control over retail outlets. In the North East, for example, Cameron's tied estate increased from 119 in 1894 to around 400 in 1899 and the North Eastern Breweries controlled 244 houses in 1899 compared with 182 three years earlier.<sup>[78]</sup>

Frequent reference was made to the extent of the tie nationally, but often on the basis of assertion with little supporting evidence and sometimes confusing the question of control with ownership. For 1890 Wilson claims that probably 70% of licences were held under tie of some kind, in 1899 a Royal Commission reported that "fully three quarters of houses were more or less tied", in the same year the *Brewers' Journal* said probably 90%, and in 1907 Pratt put the number of houses "really free in the fullest sense" at 6 or 8%.<sup>[79]</sup> Such figures are impossible to test without a complete set of licensing registers and also details of all the leasing arrangements. Yet these estimates, however impressionistic, point to the general belief that brewers had been leading a sustained assault on the ownership and control of licensed premises.

In order to extend their tied estates brewers were required to acquire property by outright purchase or by buying leaseholds. Freehold property could be obtained by brewers via a number of routes, the most effective being to get hold of property en bloc by taking over another brewery business, wine merchant or licensed victualler with a chain of houses. On a lesser scale property was bought in small numbers at auction or by private treaty. Table 38 shows some major acquisitions by North East brewers through takeover of other brewery firms. Examples of small

chains of public houses procured from other sources include Newcastle Breweries' 1896 purchase of twelve houses from wine and spirit merchant J. Routledge, Rowell's purchase of a dozen or so properties already leased by them from the executors of John Rowell in 1912, Jas. Deuchar's purchase of an estate of twenty-nine houses in Sunderland around 1892, the Border Brewery's purchase of a group of five freeholds in 1905 and W.B. Reid's acquisition of eight houses in North Shields in 1906.<sup>[80]</sup>

*Table 38 : Some Businesses and Licensed Houses acquired by North East Brewers. 1892–1912*

| Brewery Company         | Year | Business Acquired          | Number of Houses taken over |
|-------------------------|------|----------------------------|-----------------------------|
| J.W. Cameron            | 1892 | Nixey, Coleclough & Baxter | c 80                        |
| J.W. Cameron            | 1897 | T.E. Chapman               | 83                          |
| J.W. Cameron            | 1910 | Heslop                     | 28                          |
| Newcastle Breweries     | 1893 | Falconer & Co.             | 12                          |
| Newcastle Breweries     | 1898 | Sanderson & Co.            | 27                          |
| Newcastle Breweries     | 1910 | Forster's                  | c 50                        |
| North Eastern Breweries | 1899 | Kirk Bros.                 | 34                          |
| Nimmo                   | 1912 | Chilton                    | 12                          |

Source : Wood, R., *The Lion Brewery. A Short History* (West Hartlepool 1963) pp. 15 & 31; *Newcastle Daily Chronicle* 6.12.1897; *Newcastle Daily Journal* 20.3.1899; Valuation of Falconar's Stock and Properties, 23.11.1893, Tyne & Wear Archives Service (TWAS) 1463/ ; Papers relating to John Sanderson & Sons TWAS 1463/273; Valuation and Schedule of Properties owned by Newcastle Breweries, 1914, TWAS 1463/276; Information supplied by Whitbread Archive.

Brewers also bought single properties by private treaty as funds and market conditions allowed. Newcastle Breweries picked up five separate properties in the first months of its existence, Robt. Deuchar bought fourteen properties within one month at the end of 1897, and many other brewers also reported similar purchases of property from time to time.<sup>[81]</sup> Some transfers of property took place after vendors or their agents approached a prominent brewer in their locality. For example, Rowell's was offered houses and groups of houses on nine occasions between 1911 and 1914. Some were not entertained at all, whilst others were considered and then declined following inspection and/or reports on the particulars of their turnover.<sup>[82]</sup>

Another source of licensed property was auction sales and, even though licensed houses were thought to change hands more often by private contract,<sup>[83]</sup> it was the open competition of the saleroom which provided a regular clue to the state of the licensed property market. Prices, according to the *Statist*, peaked in 1897–8 when licensed properties of all kinds were being bid for "in a manner which set a nought all previous calculations".<sup>[84]</sup> Giving evidence to Peel's Royal Commission at the height of the boom, a Newcastle valuer described how ten years earlier the market valued licensed property on the basis of £1000 for each £10 weekly takings and by 1898 a house with takings of £50 per week sold for £10,000; and even after alteration takings could only rise to £80 per week.<sup>[85]</sup> He went on to say that the value of licensed premises had increased very much, especially during the previous two or three years, and how, over the previous ten years, prices had almost doubled. It was inevitable in a market of rapidly rising prices that brewers and others with substantial trade interests would have both the funds and the confidence to outbid the single licensed victualler. It was also the case that the owner of the free house may have willingly sold and cashed in on his rapidly appreciating capital asset. The effect in Newcastle, it was claimed, was to "wipe out almost entirely the old

fashioned publican".<sup>[86]</sup>

The prices being paid during the boom in licensed premises suggests that competition amongst rival brewers meant valuations were being put on premises which departed from their intrinsic commercial value and this realisation, coupled with anxieties about legislation, led to a sudden reassessment in the market. After the turn of the century a slump hit the licensed property market and this was reflected in the columns of the *Newcastle Journal* which regularly reported on auctions of licensed property. Between 1901 and 1903 it reported on almost fifty occasions when licensed property was withdrawn at auction, often well short of its reserve and sometimes with no bid at all. In 1901 at Morpeth, for example, "an invitation to set property away at £2,000 or even £1,000 was met with unbroken silence".<sup>[87]</sup> There were some instances of brewers buying at auction – Cameron's, Emmerson and Nimmo all bought in 1901 – but on the whole there was a lack of interest in licensed property. In 1903 the Castle Brewery at Thirsk and several lots of public houses were offered for sale at West Hartlepool but no bids were forthcoming. By 1905 some Newcastle property was estimated to be worth little more than half the sum it was valued at in 1901.<sup>[88]</sup> In 1907 the *Statist*, whilst admitting numerous records were not available, felt it was no exaggeration to say that the "enormous sums paid by brewers some 10 years ago ... are twice, if not indeed, thrice as much as could be obtained if they were to go onto the market at the present time".<sup>[89]</sup> By 1912 the same journal thought that licensed premises "do not now reach a quarter of the amount they would readily sell for in the days of the boom".<sup>[90]</sup>

The control of leaseholds was the second weapon adopted by brewers in their battle to tie in outlets. In a financial sense the acquisition of a long leasehold could differ little from purchase if, as happened in a buoyant market, the lessor could obtain a substantial premium from a well-situated group of properties. The

brewers looked to landowners, property owners and former brewers to increase their tied estates by negotiating long leaseholds. Jas. Deuchar took a twenty-one year lease in 1890 on seventeen Newcastle city centre properties owned by the executors of Richard Grainger and then in 1900 took on lease the public houses of the Beamish Estate.<sup>[91]</sup> By 1914 Newcastle Breweries were leasing chains of properties from Lord Hastings, the Ecclesiastical Commissioners and the estate of former Durham brewer, John Colpitts.<sup>[92]</sup>

An initiative in 1891 by the Newcastle Breweries allowed them to unite the different aspects of leasehold and freehold property by the formation of the Northern Breweries Corporation, a trust company set up to buy licensed property and lease it to the brewery. This separate body was thought necessary because

under the deed of trust by which debenture holders are secured, all properties the brewery may hereafter acquire go to increase the security of the debenture holders, and the brewery company would be debarred from raising any money upon them. It is therefore evident that it would not answer the purpose of this company to continue to buy properties if the brewery company is to be out of pocket for the whole amount of the purchase money.<sup>[93]</sup>

It was the Northern Breweries Corporation that actually bought both Falconar's and Routledge's properties and then leased them to Newcastle Breweries, and after four years' operations had spent £440,000 on licensed premises. In 1902 the corporation changed its name to the Northern Corporation to better reflect, it was said, the fact that it was "simply an investment company".<sup>[94]</sup> These sentiments were echoed by the Gateshead Breweries Corporation, registered in 1900, which described itself as a "property owning company"... which "purchased property at a fair market value and then let it at what they considered a reasonable return".<sup>[95]</sup> The identity of the Gateshead Breweries Corporation's founders suggest a strong connection with John Rowell & Son Ltd., and it was this company

that formally absorbed the Gateshead Breweries Corporation in 1912.<sup>[96]</sup>

The third mode of tying, after tenanting freehold and leasehold properties, was based on advancing mortgages or loans to previously independent owners who henceforth became tied in return. This practice was rare in the region. Newcastle Breweries' "outstanding mortgages and loans to customers" began in 1892, reaching a peak in 1897, but fell to a total of less than £1000 by 1910.<sup>[97]</sup> Smaller breweries, like the West Auckland Brewery Co., occasionally lent to landlords,<sup>[98]</sup> but with mortgages being insignificant in the region, the size of any firm's tied estate rested upon the ownership of freeholds, copyholds and leaseholds.

The larger brewers were fortunate in having the capital structures and financial standing to initiate takeovers, and could therefore look beyond the unsolicited offers of property that were brought to them from time to time. Smaller firms, however, did not possess the same bargaining power and were forced to augment their tied estate by less spectacular means. Shortly after incorporation, the Border Brewery considered a number of approaches made by agents acting for individuals with modest estates of licensed property to sell. The company did buy several properties in Sunderland and negotiated the purchase of a group of licensed houses covering Stockton, Durham and Darlington. The latter deal was said at the time to secure 4,000 barrels of tied trade in beer, a large spirit supply and income from rents. However, renegotiation had to take place when it was discovered that the figures on barrelage given to the directors contained an error of around 20%.<sup>[99]</sup>

Another small firm, the privately-owned West Auckland Brewery Co., did not increase its tied estate by takeover but by various piecemeal efforts. Minute books reveal that between 1890 and 1907 the company bought twenty-four licensed properties and leased another nine. Of those purchased, fourteen were bought by private treaty and another seven were acquired from the sixteen offered to the company over that time. A number of these houses were offered by local building



societies who had presumably repossessed these as mortgagees. This source of licensed property was attractive in that it usually came with the offer of a mortgage. The remaining three houses purchased by the West Auckland Brewery came from successful bids at auction, although the company was unsuccessful on another ten occasions.<sup>[100]</sup>

#### *4.3.2 Making the Tie*

Having acquired the leaseholds and freeholds, the brewer had a choice about the manner in which the house was to be run. He could install a manager or, if it was not to become a managed house, he could let the property to a tenant and then reach an agreement about such matters as the tenant's obligation to obtain supplies from the brewery. Both methods of working their houses — by management or tenant — offered brewers both advantages and disadvantages. T.W. Lovibond, by then managing director of the Newcastle Breweries, told the Peel Commission that a system of management benefited from the brewery's vast experience, control by the brewery was more effective, the trade of the house was not vulnerable to the weaknesses of individual tenants and there tended to be fewer convictions in managed houses. Set against this, it was easier from the brewery's point of view to operate a tenancy system. As to which was the most appropriate system, Lovibond felt it depended on the type of house. Small houses were not suitable for managers but a large house was likely to be more profitable, the risks of management lower, and therefore the management system rather than a tenancy would apply.<sup>[101]</sup> Consequently, the Newcastle Breweries had both managed and tenanted houses. In 1890 the company ran 62% of its houses on a tenancy system and in 1899 70%. In 1910 the North Eastern Breweries had 56% of its Sunderland houses on tenancies but only 27% of its estate in the Stockton, Middlesbrough and Cleveland area. Of Sanderson's small estate of 27 houses in 1898, 74% were run on a tenancy basis.<sup>[102]</sup>

What evidence is available for the North East confirms the conclusion of others that managers were installed to a lesser extent than tenants.<sup>[103]</sup>

The brewer tied the tenant to a contract for the exclusive sale of some or all of the brewer's products. In Northumberland and Durham, according to a report prepared by the Country Brewers' Society, the minimum tie for beer only was the general custom.<sup>[104]</sup> Barras & Co., for example, had in 1899 tied all tenants but only for beer. However, with its consolidation with others on the formation of the Newcastle Breweries, tenants were additionally tied for wines and spirits. Then, when the first mineral water factory was fitted out in 1891, the tie was extended to cover this product in all the company's houses "situated within a sufficient distance to make it pay".<sup>[105]</sup> This progressive approach implies that the precise constraints of the tie may have owed as much to a brewer's own range of products and services as to some over-riding policy consideration. In fact, brewers could tie customers for products they themselves did not manufacture but for which they had made some arrangement with another producer. So it was that the West Auckland Brewery tied their tenants to the aerated water of a local producer before they began manufacturing it themselves.<sup>[106]</sup>

Once the extent of the tie was established, the other matter to be settled was the terms upon which tied houses were to be supplied. The convention was to charge the tied customer more than the free house and this differential was the subject of some debate. The Clerk to the Justices of Newcastle told the Peel Commission that a tenant could expect to pay 11 shillings per barrel more than the owner of a free house. Evidence from Newcastle Breweries gave the differential on a scale between 4 and 8 shillings per barrel, with the smaller beerhouse paying the lower figure and the larger more prosperous premises paying the top rate.<sup>[107]</sup> Yet this reveals only half of the picture : the price the tenant had to pay for his supplies and judgements about its fairness must be considered in conjunction with his rent.

The prevailing custom in Northumberland and Durham in 1898 was to charge very low rents compared with the value of the houses.<sup>[108]</sup> Pratt, writing in 1907, described a similar situation :

In some [places], such as the Tyne, Warrington and Wigan, the tenant pays low rental, but is charged a higher rate for goods supplied than a free tenant would pay, so that, given two houses of equal rent but unequal trade; the tenant who did the larger business would, through his barrelage pay the larger amount to the brewers. In the Tyne district I visited a rebuilt house which was assessed at £100; but for which the tenant paid only £48 per year; and I saw, also, houses which, rented by a brewery company itself, had been sublet to the actual tenant at a substantial lower figure.<sup>[109]</sup>

There are two final elements to be considered on the brewer-tenant contract; the assistance tenants received with regard to repairs and the arrangements with respect to fixtures and fittings. In Northumberland and Durham at the turn of the century, the convention was that all brewers did external repairs and most carried out internal repairs. As far as fixtures and fittings were concerned the picture was less universal, but what was described as "probably the prevailing practice"<sup>[110]</sup> was for the brewer to own fixtures and fittings but collect a deposit on entry and repay it with interest at the end of a tenancy. Pratt found brewers "generous in providing their tenants with bar fittings and accessories, furniture for public rooms, and other things besides. In certain houses I visited on the north east coast the value of such accessories ... ranged from £200 to £250."<sup>[111]</sup> The North East system, with low rents and deposits for fixtures which fell some way below the cost of buying them, kept down the entry barriers for potential tenants. The new tenant was required to have some capital to meet the initial deposit but the system put greater stress on the tenant proving himself by increasing turnover.

### *4.3.3 The Extent of the Tied Trade*

From the one-off survey of licensing registers conducted in 1892,<sup>[112]</sup> and referred to in Chapter 3, Section 3.3.1 it is possible to construct a picture of Northumberland and Durham and obtain a reliable guide to each brewer's overall ownership of premises in the region (Appendix 7). The regional total of houses owned by a brewer may, however, underestimate the true number, since the return does not reveal details when a brewer has but a single house in a district. Nor does Appendix 7 take into account holdings outside Northumberland and Durham.

The results of the 1892 exercise reveal that North East brewers may have had smaller tied estates than many outside the region but collectively, and sometimes individually, they owed significant proportions of all houses in some districts. It is possible to calculate the proportion of houses in each district which were owned by brewers who were brewing at the time of the return and doing so within the region. Thus, after eliminating the many non-brewers, the small number of brewers from outside the region and those former brewers and their executors who had held onto their licensed houses, Table 39 can be constructed to show the districts where brewery ownership of houses was at its most marked. Table 40 shows those single brewers owning significant percentages in particular districts.

Appendix 8 contains details from some surviving licensing registers covering part or all of the period 1890–1914 and provides, when considered alongside the 1892 return, somewhat patchy but useful information about the trends in brewery ownership of public houses. It indicates the rapid increase in ownership in the 1890s and the slowing of the pace after the turn of the century. In one case, the Easington Ward, brewery ownership remained unchanged, but this is perhaps explained by the very high level of ownership there already. One factor at work was the reduction of licences. Thus, in the Durham Ward, slight changes in brewers' ownership and a fall in the overall number of licences meant that the percentage held by brewers

with more than five houses rose from 41% to 49% from 1897–1915.<sup>[113]</sup>

*Table 39 : Total Brewers' Ownership of Licensed Houses,  
in Certain Licensing Districts, 1892*

| Licensing District   | % of Total Number of Licensed<br>Properties owned by Brewers |
|----------------------|--|
| Hartlepool Borough   | 58.0   |
| Sunderland Ward      | 48.4   |
| Castle Eden Ward     | 46.2   |
| Houghton-le-Spring   | 45.2   |
| Jarrow Borough       | 42.9   |
| Sunderland Borough   | 42.4   |
| West Hartlepool Ward | 37.0   |
| Seaham Ward          | 35.6   |
| Durham Ward          | 33.5   |
| Gateshead Borough    | 33.1   |
| Newcastle            | 26.2   |

Source : 1892 Parliamentary Return of On-Licences (see p.366 for full title).

*Table 40 : Some Brewers with Significant Ownership of Licensed Houses in Certain Licensing Districts, 1892.*

| Brewer                     | Licensing District      | % of Total Number of Licensed Properties |
|----------------------------|-------------------------|--|
| Border Brewery             | Norham Ward             | 29.4                                     |
| Nimmo                      | Castle Eden Ward        | 26.3                                     |
| Cameron                    | West Hartlepool Ward    | 25.0                                     |
| Nixey, Coleclough & Baxter | Hartlepool Borough      | 24.6                                     |
| Fenwick & Co.              | Chester-le-Street Ward  | 21.1                                     |
| Robinson Bros.             | Houghton-le-Spring Ward | 19.9                                     |
| Plews                      | Darlington Borough      | 17.8                                     |
| Harker                     | Hartlepool Borough      | 11.6                                     |

Source : As Table 39.

An indication of the extent to which North East brewers owned or leased property can be obtained from Table 41. In those cases where a distinction is clearly made, brewers held freeholds and copyholds accounting for an average of 58% of houses controlled.

**Table 41 : Tied Estates of Some North East Brewers on  
Flotation and/or Amalgamation, 1890–1900**

| Year | Brewer                     | Total No. of<br>Licensed Houses | Details                                  |     |
|------|----------------------------|---------------------------------|--|-----|
| 1890 | Nixey, Coleclough & Baxter | 40                              | Freehold, copy hold or<br>long leasehold | 26  |
|      |                            |                                 | Held on lease or yearly<br>tenancy       | 14  |
| 1890 | Newcastle Breweries        | 211                             | Freehold                                 | 111 |
|      |                            |                                 | Copyhold                                 | 15  |
|      |                            |                                 | Leasehold                                | 37  |
|      |                            |                                 | Short leases, tenancies                  | 48  |
| 1891 | W.B. Reid                  | 143                             | Freehold, copyhold                       | 61  |
|      |                            |                                 | Leasehold                                | 57  |
|      |                            |                                 | Other tenancies                          | 25  |
| 1894 | Cameron                    | 119                             | Freehold or copyhold                     | 91  |
| 1894 | Jas. Deuchar               | 60                              | Freehold                                 | 30  |
|      |                            |                                 | Copyhold                                 | 3   |
|      |                            |                                 | Leasehold or tenancies                   | 27  |
| 1896 | Rowell                     | 63                              | Freehold                                 | 29  |
|      |                            |                                 | copyhold                                 | 3   |
|      |                            |                                 | Leasehold                                | 31  |
| 1896 | R. Fenwick                 | 63                              | Freehold, copyhold                       |     |
|      |                            |                                 | leasehold                                | 56  |
|      |                            |                                 | Leasehold with 30 years<br>upwards       | 4   |
|      |                            |                                 | Other leaseholds                         | 3   |
| 1896 | Simson & McPherson         | 26                              | Freehold                                 | 20  |
|      |                            |                                 | Others tied by loan                      | 6   |
| 1896 | North Eastern Breweries    | 182                             | Freehold, long leasehold,<br>copyhold    | 139 |
|      |                            |                                 | Shortleased tenancies<br>and tied houses | 43  |
| 1897 | Robt. Deuchar              | 41                              | Freehold                                 | 31  |
|      |                            |                                 | Copyhold                                 | 6   |
|      |                            |                                 | Leasehold                                | 4   |
| 1897 | Dover & Newsome Baxter     | 46                              | Freehold, copyhold,<br>long leasehold    | 30  |
|      |                            |                                 | Shortleases, tenancies                   | 16  |
| 1898 | Jas. Deuchar               | 76                              | Freehold, copyhold                       | 45  |
|      |                            |                                 | Rights & interests in                    | 31  |
| 1899 | Duncan & Daglish           | 33                              | Freehold                                 | 21  |
|      |                            |                                 | Copyhold                                 | 1   |
|      |                            |                                 | Leasehold                                | 11  |
| 1900 | Border Brewery Co.         | 48                              | Freehold                                 | 23  |
|      |                            |                                 | Copyhold                                 | 3   |
|      |                            |                                 | Leasehold                                | 18  |
|      |                            |                                 | Annual tenancies                         | 4   |

**Source :** Newcastle Breweries Ltd Prospectus, 1890, Tyne & Wear Archives Service (TWAS) 2319/5; *Newcastle Daily Chronicle* 12.5.1891, 1.12.1894, 26.7.1894, 30.7.1896, 17.11.1896, 8.2.1896, 8.12.1896, 29.7.1897, 12.10.1898 and 24.6.1899; *South Durham Herald* 26.7.1890; *Brewers' Guardian* 7.9.1897; *Berwick Journal* 31.5.1900.

To assess the concentration in particular districts requires details not only of registered owners of property but also the leaseholders of the apparently "independently-owned" premises. For only one ward, the Middle Division of the Chester Ward, is such information available. In 1888 local brewer Fenwick & Co. owned 11% of licences and 14% in 1905 when it was by then absorbed by Geo. Younger. If, however, we include houses leased, the percentage of licences controlled by the brewery becomes 23% for 1905. Altogether, brewers owned 45% of houses in 1905 but with leases held the amount controlled rose to 84%.<sup>[114]</sup> The effect that leaseholds had in increasing brewers' share of a retail market can be gleaned from Newcastle in 1912, where Jas. Deuchar owned 12 houses but controlled 28 as a result of his leasing of Grainger properties.<sup>[115]</sup>

#### ***4.3.4 Outside Brewers and the Retail Trade***

Outside brewers followed the example of the North East brewers and bought licensed property. By the 1890s many Alloa brewers, for example, were owners : McClay had property around Newcastle, Meiklejohn owned licensed premises in North Shields and Calders' had houses in the region, including five in Middlesbrough. Edinburgh brewers Ritchie held public houses in Stockton, Steel Coulson acquired houses in the North East, and R & D Sharp of the Blackford Brewery, Perth, increased their capital to buy a number of properties, some on Tyneside. The London brewers Charrington and Young & Co. had made some acquisitions in Teesside and Newcastle, whilst the Yorkshire firms of H. Bentley & Co. and the Tadcaster Brewery Co. owned houses in South Shields, Bishop Auckland and Sunderland. Burton brewers owned houses in the south of the region in 1892 : Allsopp's had five houses in Darlington and two in Stockton, whilst James Eadie had six houses in Middlesbrough and seems to have had a close connection



with the area, contributing £12,000 towards the cost of erecting an institute for the use of inhabitants of Grangetown. By 1912 in Newcastle, eight different Scottish brewers and three Burton brewers owned public houses.<sup>[116]</sup>

As well as the piecemeal approach to the purchase of public house property of which the above is the product, the takeover by two Scottish brewers of North East-based firms immediately gave outsiders control of significant local tied estates. Arrol's incorporation with Meikle's and Turnbull's businesses gave them over forty licensed properties on Tyneside, and the subsequent acquisition of Dover & Newsome Baxter provided a further forty. The takeover of R. Fenwick and Fenwick & Co. of Chester-le-Street provided Younger's with control of at least one hundred North East houses.<sup>[117]</sup>

The loan-tie system practised by Scottish brewers in their homeland was introduced in the North East on a very limited scale. Robt. Younger of Edinburgh made a small number of loans to Tyneside publicans and Wm. Younger lent to a Stockton public house in 1890 and had arranged a few more by the early 1900s.<sup>[118]</sup> Donnachie's analysis of Wm. Younger's loans ledgers led him to conclude that "the firm does not seem to have begun any serious assault on retail outlets in the north of England until 1910. At that date Younger had fourteen pubs there, including seven in Sunderland, two in Stockton and two in West Hartlepool".<sup>[119]</sup>

An alternative method by which an outside brewer could protect sales in the region was to make formal arrangements with an indigenous brewer, thereby ensuring access to the market via another's tied trade. This could obviously be to their mutual benefit with the local brewer acting as agent for the outsider who could supply non-competing specialities. The closest collaboration of this kind was Wm. Younger's relationship with W.B. Reid of Newcastle, which became considerably closer on the incorporation of the latter in 1892. Before that flotation, W.B. Reid's Leazes Brewery held the agency of Wm. Younger for Northumberland and the north

division of Durham. Licensing registers suggest that Younger briefly held at least some of the houses of the old Tyne Brewery Co. but on flotation of W.B. Reid the old W.B. Reid & Co., the family wine and spirit business of Reid Bros., the Tyne Brewery Co. houses and the Younger's agency were amalgamated.<sup>[120]</sup> At this stage Wm. Younger became actively and closely involved. A.L. Bruce, deputy chairman of Wm. Younger, became vice-chairman of W.B. Reid & Co., and H.G. Younger, a director of Wm. Younger, joined the Reid board. A profile of A.L. Bruce records that

he had (a) good head for legal and financial affairs and it was he who negotiated the conversion of W.B. Reid & Co. into a limited liability company. Part of the agreement was the control of the Tyneside houses and the transfer of a substantial shareholding to Wm. Younger.<sup>[121]</sup>

The same sort of collaboration arose on the flotation in 1893 of W.A. Falconar & Co. Ltd., of the Howdon Brewery. The prospectus announced that Blair & Co. of Alloa had recently appointed Falconar's as sole agents in Northumberland and Durham, and that J.H. Thorburn, managing director of Blair's, was to join the board without enjoying executive control.<sup>[122]</sup> Other arrangements were made by local brewers : for example, shortly after formation the Newcastle Breweries negotiated contracts with Bass for a discount of 20% if trade exceeded £10,000 per annum and McEwans who offered large bonuses if sales reached £14,000 gross in the year.<sup>[123]</sup> In 1901 Robt. Deuchar signed an agreement "relating to certain conditions between the company and Sam. Allsopp".<sup>[124]</sup> Outside brewers were clearly keen to avoid being squeezed out of the increasingly tied North East market. Archibald Campbell of Edinburgh announced in a Tyneside newspaper in 1894 that they were "desirous of forming agreements with Newcastle firms for supplying Edinburgh mild and pale ales to houses under their control".<sup>[125]</sup>

In 1897 two different initiatives were taken by Edinburgh brewers to consolidate their trade in the North East. The Edinburgh United Breweries appointed to its board A.H. Higginbottom, a Tyneside-based wine and spirit merchant and licensed property owner. The company felt they "needed for Newcastle and the North of England a good technical adviser to help them in connection with the granting of loans".<sup>[126]</sup> Whilst the brewery's policy had been one of "granting assistance to customers", Higginbottom spoke at the firm's annual meeting of the keen competition in the north and the possibility of having to reverse their policy and purchase houses.<sup>[127]</sup> Also in 1897 T. & J. Bernard of Edinburgh set up a subsidiary, Grainger & Co., with their Newcastle agent and manager as the first two directors. The nominal capital of the company was £20,000 in £5 shares and its purpose was to build up a connection in the North East. The Newcastle Bankruptcy Court was told in 1903 that the business consisted of supplying and owning public houses but that licenses had subsequently been lost at Newcastle, Sunderland and South Shields. In addition, the mortgagees had repossessed another public house. An attempt to wind up the company voluntarily failed and a supervision order was made on the company which had only £1260 paid up capital.<sup>[128]</sup>

#### **4.4 SUMMARY**

The period 1891–1914 was one of concentration of ownership and production in the industry, accompanied by the emergence of the public limited company. In the North East the number of brewers more than halved in the twenty–three year period. This overall loss, representing some forty–one firms, was due partly to the decisions of eighteen to cease brewing and more particularly to a series of amalgamations and takeovers which accounted for the loss of an independent

identity for the remainder. This concentration of ownership was followed, for the most part, by a rationalisation programme which closed production facilities and ended brewing at a number of rural and small town locations. In addition, the remodelling and extension of surviving breweries embraced other growing activities, especially bottling. One by-product of this process of incorporation and absorption was the development of some closer ties between North East firms and Scottish brewing.

Concentration of ownership in brewing also produced a more concentrated structure of control in the retail sector. Additional purchases of licensed properties, after amalgamation and takeover, contributed to the amassing of some significant tied estates by many of the brewers left by 1914.

***PART THREE : 1891–1914******CHAPTER 5 : COMPETITION, MANAGEMENT AND PERFORMANCE***

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## *CHAPTER 5 : COMPETITION, MANAGEMENT AND PERFORMANCE*

### *5.1 INTRODUCTION*

The twenty-three years preceding the outbreak of the First World War was a period which saw developments in the way brewers conducted their business. Alongside the structural and technical changes in the industry, firms found themselves operating in a more sophisticated competitive environment which demanded a more professional approach to management. The performance of brewing companies was also subject to much greater public scrutiny.

### *5.2 COMPETITION*

#### *5.2.1 Consumption and Price Competition*

The brewing industry's national market, measured in terms of aggregate beer consumption (Appendix 9), grew by 2.6% from 1890–95 and then by a further 17.0% from 1895–1900. In the second half of the decade, per capita consumption had also risen and served to re-inforce the expansionary mood in which brewers operated. After 1900, however, the social and legislative environment began to change and brought serious implications for the brewers' competitive position. The market for beer, notwithstanding brief recoveries around 1906 and 1911–13, embarked upon a long-term decline. Total consumption in 1914 was down 5.3% on 1900 but, more significantly, per capita consumption fell by 15.5% in the same period.

What caused this fall in the demand for beer is a matter for debate, although the temperance movement naturally claimed responsibility. Dingle, however, identifies two main economic influences at work. Firstly, from the 1880s drink became "more expensive relative to an increasingly wide range of consumer goods", and secondly,

drink consumption per head rose when an increase in real wages came in response to rising money wages, as occurred in ... 1900, and to a minor extent around 1890 and 1910. But when real wages rose as a result of falling prices between 1880 and 1895, the level of drink consumption stagnated.<sup>[1]</sup>

It seems that in the period before 1900 brewers were essentially competing to retain custom when the inclination of the customers was to switch expenditure to the growing variety of other commodities, including food, which was becoming relatively cheaper. After 1900, with incomes stagnating, the brewer was faced with a public who preferred to maintain its consumption of the new commodities at the expense of drink. In the 1890s North East brewers had not only increased their market share by the acquisition of other firms and licensed property but had increased output. By 1900, however, falling consumption put great competitive pressure on them in the domestic market and the possibility of seeking markets outside the region was not one that they pursued to any great extent.<sup>[2]</sup>

Price had never been the basis upon which brewers competed with one another. One North East newspaper commented in 1900 that "the price of beer, like the price of penny stamps and sixpenny pot pies, never varies at the long bar".<sup>[3]</sup> Following the lead of the successful Burton, London and Scottish firms, local brewers regarded the reputation for the quality of their product as a more important element than price. For instance, when extra duties were imposed in 1900 and added around £4000 to the costs of some of the North East's largest brewers, they resisted a reduction in the strength of their beer as a means of absorbing some of the extra cost.<sup>[4]</sup> Aware of the public suspicions on this matter and the competitive imperative of retaining their reputation, they regularly and publicly denied they were taking this course. They were also called upon to defend their reputations following the 'arsenical poisoning scare' of 1900 and some firms used annual meetings to reassure the public that North East drinkers were not at risk, whilst

others specifically began advertising their beers as being produced from only 'pure' ingredients.

By this stage, however, the brewers were unable to engage in price competition since profit margins ruled out price-cutting. Moreover, market conditions meant beer had already become relatively more expensive. Hawkins and Pass point out that :

Unlike other industries, the fundamental problem facing the brewing industry was not one of imports or the entry of new products, but a fall in demand brought about by the changing pattern of social habits. Cost reduction was the only practical way of increasing margins.<sup>[5]</sup>

But while brewers avoided price competition, the hard-pressed retailer sometimes took initiatives to reduce the unit price to his customer. Landlords selling beer on draught were able, if they thought market circumstances warranted it, to practise the 'long pull' in which a larger measure of beer was given than the quantity paid for.

### ***5.2.2. The Influence of Transport***

Technical advances inside the brewery during the period 1891–1914 were thought to have had little influence on the structure of the industry.<sup>[6]</sup> But it was transport, in the form of the steam wagon and evolution of the petrol lorry, that had perhaps the greatest implications for the geographical structure of the industry and the configuration of competition. The smaller brewer, particularly in the rural areas, was less exposed when the horse-drawn dray was the customary means of conveying beer between brewer and retailer. At that time, when beer was difficult and costly to transport far afield and was also likely to suffer in quality as a result, the product tended to be sold and consumed close to where it was produced. But



once an effective method of carrying beer appreciable distances was available the larger brewer could then exploit the chance to enter the market area of other firms and saw it as worthwhile to acquire and supply tied houses in another's territory.

Steam-powered road vehicles were around on a small scale in the early nineteenth century but their development was checked by restrictive legislation until 1896. Before then, the only alternative to the horse-drawn dray was the railway network, but since this could involve considerable transfers — between brewery, railway stations, junctions, stores and consumers — the number of handlings could reach eight and the number of haulages four. This made rail transport a viable method for those brewers delivering over long distances to agencies or bottling stores, but left the horse as the only practical method of delivery within a reasonable radius of the brewery. At the end of the nineteenth century, for example, Vaux operated from Sunderland with three-in-hand teams pulling eight tons and travelling as far as Easington and Wingate.<sup>[7]</sup>

When steam wagons appeared at the Liverpool Self-Propelled Traffic Association Trials of 1898 interest in them was revived. Being capable of carrying heavy loads over short or medium distances, the power-controlled dray was attractive to brewers. Calculations in 1900 put the annual cost for a horse-drawn dray to carry three tons at over £1,000, but the comparable cost of a steam dray carrying the same weight was less than half that figure. Steam wagons were adopted by brewers, although there was some caution about moving too quickly in anticipation of continuing improvements in design. Nevertheless, British industry in general had taken up the new wagons and, in the North East, Newcastle Breweries bought steam wagons in 1900 and 1902, and a steam lorry in 1903. Also at the turn of the century, Forster's of Bishop Middleham sent their beer to Ferryhill station and also collected malt etc. by traction engine with two wagons attached.<sup>[8]</sup>

It was certainly the bigger breweries that bought steam wagons, although it was felt in some quarters that it may have been for their promotional or advertising value as much as the material benefit that accrued from utilisation, and a more promising feature in the first decade of the twentieth century was the progress in the development of vehicles for carrying heavy loads. It was not until immediately before the First World War that steam and petrol wagons were taken up in numbers and the 1913 Commercial Motor Exhibition showed brewers amongst the most important buyers of heavy vehicles, by which time the petrol wagon was recognised as the most appropriate vehicle after a distance of 35 miles per day. The use of road transport by brewers had been given a boost by increased railway rates which coincided with advances in the reliability and durability of the petrol lorry. In the North East, in 1914, Rowell's ordered two Daimler 4 ton petrol lorries and a 5 ton steam wagon, and by now many of the more important brewers had the means of making deliveries on journeys too long for the horse to achieve in an acceptable time.<sup>[9]</sup> For the firms with the greater concentration of retail outlets the cost of new forms of transportation, in terms of the cost of delivery per barrel, did not prove prohibitive.

So it was, that whilst all breweries maintained their stables for local deliveries, some were adopting new methods to break through the boundaries of their local market. It was not the brewing process so much as the distribution of the product that gave the bigger firms the competitive edge, allowing them to extend their markets and enjoying savings which served to weaken the competitive position of the already vulnerable small brewer.

### *5.2.3 Competition in Retailing*

It was in the area of the retail trade and the acquisition of public houses where the most obvious rivalry amongst brewers took place. Paradoxically, the

reduction in 'free houses' through the increasing control by brewers of the retail market and the imposition of restrictive agreements on tenants was actually a procedure by which the trade in many localities became more competitive. Hawkins and Pass conclude that :

viewed in the context of the circumstances of the industry in the last quarter of the nineteenth century, ... the process must be looked upon somewhat differently. Given the fact that his competitors were buying up outlets, no brewer ... could afford not to do likewise if he were to survive. In this more general sense, forward integration, far from suppressing competition was essential to its continuance.<sup>[10]</sup>

There are dangers, of course, in generalising about competition, especially with regard to retail outlets like public houses whose trade conditions and competitive environment were particularly localised. Some of the contemporary press comment and the literature since has created the impression that the licensed property market was a single homogeneous one and that brewers were indiscriminate in the manner in which they bought public houses. *The Times*, for example, talked of "the reckless purchase of tied houses" by "competitors, eager to grab trade" who "simply tumbled over each other's heels in the scramble".<sup>[11]</sup> What is clear from available North East evidence is the key role played by location in determining both the price and the extent of brewer interest in licensed property. A Newcastle builder and valuer illustrated the influence of the neighbourhood in 1897 thus :

a house in a first class street, in one of the best business streets in town, the difference between that and an ordinary business house is not nearly so great as it would be in the locality of large engineering or other works. In Grainger Street, some of the houses would bring quite as much for ordinary business purposes as they would as licensed houses. There is no large amount of drinking going on in them... The ordinary brewer's beer is only sold in them to a small extent; but close to a large works or at a colliery village, such as Ashington, the brewer can send in his own drink, and that is largely consumed, so he can afford to pay a high price.<sup>[12]</sup>

Certainly, in the early 1890s when brewers were assiduously seeking property, they still exercised a caution which belies the impression given in the press. Shortly after flotation, Newcastle Breweries were offered two local brewery businesses, Turnbull's and Crosthwaite's with substantial tied estates, but which the company declined, as they did with an offer of certain properties from Rowell's. Again, in 1893, the company turned down the offer of sundry public houses from St. John of Sunderland and then refused another offer of an estate of several public houses and other properties from an unnamed brewer for £97,500.<sup>[13]</sup> Other North East brewers also exercised similar caution when buying houses during a period when the struggle between brewers for licensed property was at its height. Moreover, when the licensed market was in the doldrums, brewers were nevertheless prepared to pay well for a well-situated house. In 1907, for example, Nimmo's bought a property in Bowburn after "spirited competition" aroused by the public house's proximity to a newly sunk pit shaft.<sup>[14]</sup>

A further flaw sometimes found in contemporary reporting on the licensed property market is the assumption that the purchase of licensed property by brewers equates with an increase in their control of the retail trade. In some cases purchase was not a new entry into the retail market but simply a legal nicety whereby a former leasehold was converted into a freehold. Under these circumstances the manner in which the property was conducted was unchanged and to suggest that the competitive structure of the trade had deteriorated is misleading.

The alteration and rebuilding of existing public houses, and the erection of new ones, was just as important a part of the brewer's competitive strategy as the acquisition of freeholds and leaseholds. As the brewers exhausted the supply of available properties more emphasis was put on improving the standard of amenities to differentiate them from those of competitors. Information available from planning applications submitted to the Newcastle and Stockton authorities (Table

42) shows such activity coinciding with the boom years up to the late 1890s. An analysis carried out on tenders in the *Builder* confirm the increased building of licensed houses during the decade.<sup>[15]</sup> Table 43 shows the combined amounts appearing in the Newcastle Breweries annual reports for repairs, alterations etc. reaching its height after the period of peak acquisition and also following the Compensation Act.

*Table 42 : Planning Applications for Rebuilding, Alterations  
and Additions to Licensed Premises in Newcastle and Stockton  
1890–1914*

| Year | Total Number of<br>Applications | Year | Total Number of<br>Applications |
|------|---------------------------------|------|---------------------------------|
| 1890 | 48                              | 1903 | 13                              |
| 1891 | 51                              | 1904 | 5                               |
| 1892 | 47                              | 1905 | 8                               |
| 1893 | 37                              | 1906 | 5                               |
| 1894 | 33                              | 1907 | 4                               |
| 1895 | 22                              | 1908 | 3                               |
| 1896 | 32                              | 1909 | 1                               |
| 1897 | 51                              | 1910 | 5                               |
| 1898 | 41                              | 1911 | 1                               |
| 1899 | 21                              | 1912 | 7                               |
| 1900 | 19                              | 1913 | 11                              |
| 1901 | 14                              | 1914 | 5                               |
| 1902 | 7                               |      |                                 |

**Source :** City of Newcastle Planning Applications, Tyne & Wear Archives Service 186; Stockton Borough Planning Applications, Vol. 2, Cleveland County Archives.

*Table 43 : Spending by Newcastle Breweries Ltd. on Repairs, Alterations and Improvements to Public Houses 1890–1914*

| Years   | £       |
|---------|---------|
| 1890–94 | 28,759  |
| 1895–99 | 125,690 |
| 1900–04 | 220,826 |
| 1905–09 | 141,979 |
| 1910–14 | 103,744 |

**Source :** Amounts appearing in Newcastle Breweries Ltd. Annual Reports, 1890–1914, Tyne & Wear Archives Service 1463/125–172, for 'repairs and alterations to properties', 'special expenditure on fixtures and fittings in houses purchased' and 'expenditure on account of alterations and improvements to houses leased'.

Minute book entries show that most of Newcastle Breweries' and the Northern Corporation's acquisitions took place before the turn of the century, as did their rebuilding.<sup>[16]</sup> That is not to say that new building ceased after 1900 : brewers remained willing to erect a new hotel or public house when realistic opportunities presented themselves. Robt. Deuchar bought building plots for three new houses in Newcastle between 1899 and 1902, and Jas. Deuchar, J. Turnbull, W.B. Reid and North Eastern Breweries all built new hotels.<sup>[17]</sup> By 1910, however, new buildings were rare and rebuilding had slowed down considerably. Alteration and extension, however, continued up until the outbreak of war. Plews, for example, altered six Darlington public houses in the period 1900–1913<sup>[18]</sup>. The type of work requiring planning approval does not include the regular improvements that brewers were making to fabric and fittings. By 1910, for example, many of Rowell's public houses had been updated, had electricity installed and other features, such as automatic pianos, were being introduced into some.<sup>[19]</sup>

#### 5.2.4 *The Compensation Act*

By 1900 the brewer's main concern was the impetus given to the closure of licensed houses by magistrates. With anti-drink organisations advocating substantial reductions in licences there was much public controversy about the brewer's right to compensation when licence renewal was rejected. A majority on the Peel Commission supported the idea of compensation and its provision by the trade, although the 1902 Act which followed did nothing about compensation but fueled the demands from opponents for big reductions in the number of licensed houses.<sup>[20]</sup> A much greater number of licences were refused at the brewster sessions of 1903 when, it was suggested, magistrates were "aiming at not so much the enforcement of the laws already in existence as the carrying out of a policy of prohibition which legislation has not yet sanctioned".<sup>[21]</sup> When what became the Compensation Act was introduced into Parliament in 1904 the brewing trade took the view that it was an honest attempt to solve a difficult question, with the Newcastle trade, for example, generally approving the measure and recognising that there had been little chance of getting anything better.<sup>[22]</sup> Nonetheless, there remained the real threat of the authorities closing houses and disrupting the structure of the brewers' retail trade. The abolition of redundant licences that followed the Act's introduction in 1905 numbered 539 in Northumberland and Durham in the period to 1914, equivalent to the loss of 13% of all on-licences issued in 1905.<sup>[23]</sup>

In the early years of the act there were many signs that the justices were determined to use their new powers. In 1905 Newcastle magistrates investigated areas of the city where they believed that the demolition of dwellings and replacement by warehousing and business premises had caused a shift in population, and, as a consequence, sixteen licensed premises said to be respectably managed were closed as being superfluous to the requirements of the neighbourhood. In 1906

a further twenty-one licenses were refused in Newcastle and another eighteen in 1907. Other districts in the North East followed corresponding patterns: in 1907 Tynemouth lost seven licences on grounds of redundancy and at Sunderland twenty-one alehouses and thirteen beerhouses were extinguished.<sup>[24]</sup> Most North East brewers lost licences as a result of the Compensation Act, amongst them being the Border Brewery which lost six licences in Berwick in 1904, Vaux which lost six in Sunderland in 1907 and Cameron's which lost seventeen in 1906 and another nine in 1908.<sup>[25]</sup> In the period 1905–10 Newcastle Breweries lost thirteen licences and in 1908 alone thirteen different brewers lost licences in the Durham County licensing district.<sup>[26]</sup>

The annual reports of brewers referred to the damaging effect of the operation of the Compensation Act but the actual degree to which brewers suffered is questionable. It was the case that the Act imposed an extra charge on North East brewers and the larger ones were each paying over £3000 per year in levies. It was also true that brewers lost licences they would have preferred to retain and were able to submit claims to compensation courts proving that houses could muster solid takings. In addition, brewers could argue that compensation awards were usually a lot less than their own valuations. But such considerations, which may have been severely if not fatally damaging for the individual licensed victualler, have to be seen in the context of the brewers' extensive tied estates. In the first instance, the loss of licence was usually safeguarded by an insurance policy and secondly, the surrender of a licence could be used to ensure the granting of another new property.<sup>[27]</sup> But, above all, it is impossible to see the pattern of closures working other than to the long term competitive advantage of the leading brewers. In South Shields the strategy of magistrates was to "close the smaller, less up to date houses" and in Newcastle, justices followed police advice about premises where "trade was small or a catch trade, and the houses were badly adapted for the purposes".<sup>[28]</sup>



This suggests that when brewers lost licences they did not necessarily lose sales if the brewer with his better appointed houses had a more favourable survival rate than other owners. It is hard to come to any conclusions other than that the net, long term effect of the Act was to drive drinkers towards brewery-controlled premises.

### *5.2.5 Competition from Other Forms of Licensed Premises*

Brewers, already well aware of falling consumption and the increasing competition from other commodities, also faced threats in the retail sector from the newly-formed public house trusts and more ominously, the growing club movement.

The public house trust came to the North East in 1900 when Earl Grey, who had interests in Broomhill Colliery and the local community, saw the growing desire for a public house in the district and successfully applied for a licence. Grey's scheme was for a house which would use its profits to benefit the local community and would allow its manager a commission on non-alcoholic drinks and food. A Northumberland Public House Trust Company Ltd. was formed in 1901 and a Durham and North Yorkshire version in the same year, both based upon the People's Refreshment House Association Ltd. formed by the Bishop of Chester in 1896. Although the trust movement excited considerable interest in both the national and local press, and prompted brewery companies to take notice and frequently attack them, in reality they posed very little threat to the established trade. Even though they extended their chains of 'model' public houses — the Durham and North Yorkshire trust had fourteen properties by 1909 — the trusts found themselves experiencing the same problems that had vexed most brewers.<sup>[29]</sup>

A more serious threat came from licensed clubs, the rapid growth of which in Northumberland and Durham is shown in Table 44. Some of these clubs were no doubt formed for specific political or leisure activities, but it is equally certain that

many clubs had a primary interest in the sale of drink and as their popularity rose they continued to enjoy a greater degree of freedom from licensing and judicial scrutiny. From the competitive point of view, with regard to their share of the retail trade, the growth in membership was more of a concern than the actual number of clubs. The Consett brewster sessions were told in 1907 that membership of clubs in the district was "increasing to an alarming degree".<sup>[30]</sup> Total membership of clubs in the division had risen by 2,000 during the year to 12,302.<sup>[31]</sup> Another minor but portentous aspect of the club movement was a decision by delegates of working men's clubs in Northumberland, representing 6,000 members, to pursue the idea of brewing their own beer. A sub-committee was appointed to meet the liquidator of the Rainton Brewery Company and a North of England Clubs Brewery Company was formed in 1905 with a capital of £5000, but neither the purchase of the brewery nor the brewing of beer elsewhere materialised.<sup>[32]</sup>

*Table 44 : Increase in Number of Registered Clubs in  
North East Districts 1905–1914*

| District               | Number of<br>Clubs 1905 | Number of<br>Clubs 1914 | %<br>Increase |
|------------------------|-------------------------|-------------------------|---------------|
| Durham                 | 146                     | 238                     | 63            |
| Northumberland         | 68                      | 106                     | 56            |
| <u>County Boroughs</u> |                         |                         |               |
| Newcastle              | 42                      | 61                      | 45            |
| Tynemouth              | 6                       | 4                       | (33)          |
| Gateshead              | 12                      | 21                      | 75            |
| South Shields          | 8                       | 11                      | 37            |
| Sunderland             | 14                      | 16                      | 14            |
| West Hartlepool        | 14                      | 8                       | (43)          |
| Totals                 | 310                     | 465                     | 50            |

Source : Licensing Statistics 1905 & 1914 (Cmnd. 2961 & 7981)

With clubs having to secure supplies from existing brewers and the North East brewers appreciating the potential of clubs, efforts were made by brewers to accommodate the financial need of clubs and secure a degree of tie. For example, in 1902 the West Auckland Brewery company tied the Middleton Working Men's Club for all their bitter beer by lending them £300 on mortgage, and in 1904 bought £50 of share stock in the Evenwood Club "for the sole purpose of securing trade"<sup>[33]</sup> In another instance, Rowell's granted extended credit to the Gas Workers' Club, Hebburn and provided a mortgage for a club in Dinnington. In both these cases Rowell's tied them for beer and insisted on other clauses to safeguard the loans.<sup>[34]</sup> So whilst brewers were critical of the privileges they felt clubs enjoyed, they also courted them for custom. In 1911 Rowell's employed a representative specifically for increasing trade with the clubs in the Ashington area.<sup>[35]</sup>

Table 45 shows the number of licensed premises in each category in the North East for 1912. As well as confirming the significant number of clubs in some areas, it indicates the importance of the off-licence as retail outlet. Brewers also recognised this and had begun to tie in these outlets as they had public houses. By 1910, for example, North Eastern Breweries owned 13 off-licences.<sup>[36]</sup>

*Table 45 : Number of Licences in North East Districts  
1912*

|                        | Publicans | Other on—<br>Licences | Off—<br>Licences | Registered<br>Clubs |
|------------------------|-----------|-----------------------|------------------|---------------------|
| <u>County</u>          |           |                       |                  |                     |
| Durham                 | 1493      | 246                   | 412              | 207                 |
| Northumberland         | 588       | 59                    | 124              | 100                 |
| <u>County Boroughs</u> |           |                       |                  |                     |
| Gateshead              | 116       | 34                    | 65               | 18                  |
| Middlesbrough          | 73        | 29                    | 51               | 17                  |
| Newcastle              | 355       | 131                   | 175              | 56                  |
| South Shields          | 120       | 39                    | 99               | 9                   |
| Sunderland             | 191       | 134                   | 151              | 16                  |
| Tynemouth              | 131       | 24                    | 49               | 6                   |
| West Hartlepool        | 45        | 38                    | 61               | 8                   |

Source : Licensing Statistics 1912 (Cmnd 7040).

### *5.2.6 Outside Competition*

By the turn of the century a local newspaper commented that "the good old Newcastle Mild Ale, the pure unadulterated product of malted barley, is hardly to be had now".<sup>[37]</sup> A wide range of beers was still being brewed across Britain but the gradual switch in public taste was such that by 1905 Baker could report that "the old fashioned, heavily-hopped ales have been practically displaced by lightly-hopped, fresh and bright ales."<sup>[38]</sup> Since the 1880s North East brewers had come to terms with the demand for less heavy beers, but the manufacture of such products required more skill, better equipment and could not be achieved overnight. Meanwhile, Burton, London and Scottish brewers who specialised in such products retained their advantage and continued to trade in the North East on their reputation.

*Table 46 : Ale and Porter Imported Coastwise from the  
U.K. into Tyne Improvement Commission Quays  
1890–1914*

| Year | Ale & Porter (tons) |
|------|---------------------|
| 1890 | 15708               |
| 1895 | 23812               |
| 1900 | 46288               |
| 1905 | 30931               |
| 1910 | 33506               |
| 1914 | 37459               |

Source : Tyne Improvement Commission Accounts 1890–1914

Table 46 shows the extent to which beer was being shipped from other UK ports, almost entirely southwards from Scotland, to the Tyne. Individual company records confirm the importance of the region for Scottish brewers. The Newcastle area was Wm. Younger's biggest market, ahead of Edinburgh, Glasgow and London. Newcastle was responsible for a consistent one third share of Younger's turnover from 1890–1900, and the strength of this market is demonstrated with reference to other provincial English centres of Yorkshire, Liverpool and Manchester. In 1890 Newcastle's turnover was less than five times these other markets put together, but by 1900 was nine times.<sup>[39]</sup> Clearly, the Newcastle market's relative share can be explained by its convenient geographical position and Younger's close links with W.B. Reid, but its continuance into the new century testifies to the firmness of the Scottish brewers' hold on the market and the lagged response of the indigenous producers. All sizeable Scottish breweries were well represented in the North East, with Alloa brewer, Geo. Younger having a dozen travelling salesmen working out of Newcastle in 1895.<sup>[40]</sup> Most Scottish beer was despatched to the North East by sea from Alloa and Leith, with cargoes of ale from Leith to the River Wear averaging

7357 tons per year between 1909 and 1914. Some brewers bought their own ships to make regular trips and in 1907 Jas. Deuchar took possession of a 242 ton steamer specially built for the firm at Smith's Dock, North Shields.<sup>[41]</sup>

Burton brewers had similar experiences in the North East. Bass, Ratcliff & Gretton's sales through its agencies in the North East are shown in Table 47. As a percentage of the company's total trade and agency sales, the combined Newcastle and Stockton business declined slightly from 15.5% to 13.1% between 1890 and 1912.<sup>[42]</sup>

*Table 47: Bass, Ratcliff & Gretton Home Trade Sales through Newcastle and Stockton Agencies – 1890–1912 by value (£)*

|           | 1890   | 1895   | 1900   | 1905   | 1912   |
|-----------|--------|--------|--------|--------|--------|
| Newcastle | 216290 | 210986 | 299189 | 241741 | 218611 |
| Stockton  | 101562 | 113012 | 143445 | 129037 | 129463 |

Source : Information supplied by Bass Archives

At the North East end of operations the external brewers had to superintend stores and transport fleets. For example, by 1890 Edinburgh brewer J & T Usher was opening more extensive premises at Manors Station Arches "in consequence of largely increased business in Newcastle and District". London brewers, Whitbread's, opened up a depot consisting of seven arches under Newcastle's central station in 1896 and commissioned a specially designed building for storage and bottling in Middlesbrough in 1907.<sup>[43]</sup> All the outside brewers' agents, travellers and managers had a vital role in opening up markets for their firm's products and many cultivated this trade over a long period of representation

in the North East. McEwan's, for instance, had been represented on Tyneside by R. Bowie from the 1860s. He became manager in 1881 and remained, until his death in 1912, in charge of the company's Newcastle offices, its extensive cellars, a squad of travellers and the rolleys, horses and delivery men who distributed the firm's beer on a daily basis.<sup>[44]</sup>

As the years progressed, however, outside brewers began to find competition from the indigenous brewers of the English provinces becoming stronger. The improvement of local products and the extension of the tied trade made it a more difficult market for outsiders to penetrate. Geo. Younger, who had already closed a number of agencies including Stockton, cutback further in the early 1890s at Hull and Liverpool.<sup>[45]</sup> Like other Scottish brewers, they recognised the value of the North East market but also the need to tie in trade by purchase of, or at least close involvement with, their local counterparts.<sup>[46]</sup>

### ***5.2.7 Trade Association***

Although the Northumberland and Durham Brewers' Association had existed since 1883, it was not until the end of the decade that it achieved any authority. In 1886 membership stood at 17 but by 1888 was 140, although these were by no means all brewers as the rules allowed full membership for wholesale brewers trading in the two counties and honorary membership from trades such as malting, hop merchants, distilling, the wholesale wine and spirit trades etc.<sup>[47]</sup> The increase in membership did however reflect the anxiety within the trade about beer duties and legislation resulting from the aggressive campaigns mounted by the advocates of the local veto, prohibition and other schemes. All sections of the trade sought, therefore, to protect their common interests through some system of mutual cooperation.

In 1891 the Northumberland and Durham Brewers' Association reported that

the brewers and wholesale traders in this district appear at last to have realised the great importance of taking action to counteract the influence teetotal political associations have hitherto possessed with Parliamentary candidates; and an agency, called the General Association of the Licensed Trade, has, for the past 6 months, been in active working order under the District Secretary.<sup>[48]</sup>

From this point the North East brewers' interests were guarded by two interrelated bodies; the Northumberland and Durham Brewers' Association and a General Association of the Licensed Trade, which soon became the Northern Division of the National Trade Defence Fund and then in 1900 became the National Trade Defence Association. The North East brewers now had a powerful voice to propagandise on their behalf and also act as a forum for the discussion of local industrial matters. Between 1900 and 1914 all attempts to abolish or restrict the sale of alcoholic liquors and to alter the taxation or excise levels under which brewers operated were met with well-organised opposition.

A significant portion of the Brewers' Association membership monies went to support the Trade Defence Association's work in arranging deputations to ministers on questions of proposed legislation and Budgets, and representing the trade before Royal Commissions. But much of the association's work was directed towards national and municipal elections and the promotion of candidates connected with or who supported the drink trades. From 1890 to 1914 the association intervened in six general elections and the measures adopted in the 1895 election, for example, illustrated their approach. When the election was called all candidates were sent a questionnaire and committee members of the association studied replies before drawing up a list of approved candidates. The secretary was then instructed "to use all legitimate means to secure their return".<sup>[49]</sup> He later reported on the methods by which he carried out these instructions, including the distribution of 12,000 individual letters and circulars, followed by an "enormous number of leaflets, pamphlets, and electioneering literature ... distributed through the kind cooperation



of the secretaries of the various Licensed Victuallers Associations". In addition, the

President and secretary between them addressed nearly twenty different meetings. Large quantities of posters and cartoons were posted on the various hoardings and distributed throughout the whole district.<sup>[50]</sup>

Of the thirty—two members elected in the four counties covered by the association, twelve members were returned who were favourable to the trade compared with seven before polling. It is impossible, of course, to say what impact the trade's propaganda had on its outcome, but the press were not prepared to discount the influence of the trade. The *Newcastle Daily Leader* thought the local veto was an important issue and in that respect "the Newcastle Breweries have proved themselves more powerful for the purpose of electioneering than the Newcastle Programme".<sup>[51]</sup> Similarly vigorous efforts were made by the association at general elections and by—elections that followed.

The work of the National Trade Defence Association, involving close cooperation at local and national levels between all sections of the trade, paved the way for the formation in 1904 of the Brewers' Society, with the Northumberland and Durham Brewers' Association becoming its regional organisation in the North East. The local association and the national society were concerned with the technical side of brewing as well as advising members on commercial and legal matters. Given the nature of the industry and the amount of governmental scrutiny it attracted, it was inevitable that the Brewers' Society had a very active parliamentary sub—committee. Most of the work of the Northumberland and Durham Brewers' Association was the provision of advice and sometimes financial assistance with appeals against licensing decisions and rating assessments. After the Compensation Act this work was extended to making representations to licensing and compensation authorities to reduce, or even suspend, the imposition of the

annual compensation levy when it became clear that compensation funds were not being exhausted by compensation awards. After launching a systematic campaign in 1910, the association's deputations were successful in a number of instances and the material benefits felt by brewers could only have encouraged their continued support for the association.<sup>[52]</sup> In the four year's of the association's efforts up to 1914 it was calculated that savings, based on the levies imposed in 1910, ran to £50,000.<sup>[53]</sup>

The membership and committee representation of the Northumberland and Durham Brewers' Association reflected the changes in the structure of the brewing industry in the North East from 1890–1914. Association records show that by 1914 there were twenty-four full (i.e. brewing) members comprising all the sizeable firms in the region and almost all those that were to prove to be the region's longest survivors. The committee places were spread amongst fifteen different breweries in 1914 with the five officers' positions during the period 1910–1914 circulating amongst only seven individuals.<sup>[54]</sup> At the top of their trade association, therefore, was displayed the same continuity as in the chairmanships of the chief companies represented. It also indicates that those firms that became pre-eminent in both brewing and retailing terms in the North East during 1891–1914 were also most influential in their local trade organisation. So, aside from the high profile issues of trade defence, the men at the top had a real interest in preserving what they felt to be the appropriate competitive environment.

The competitive state promoted by the brewers' trade association was one of maintaining cooperation and agreement on particular aspects of competition. Thus, for example, in 1899 discussions were held to decide upon a uniform charge for deposits on bottles. A year later it was decided not to put up prices following increases in duty, largely because Burton and Scottish brewers had not. In 1905 local brewers were circulated to the effect that it was "most desirable" to

"standardise prices and discounts and to abolish extra allowances of all kinds".<sup>[55]</sup>  
 The question of raising prices was again discussed in 1910 and in 1912 the association campaigned amongst members against "the evil of the long pull" and offered support to the retail trade in "any well—considered and practical scheme for its abolition".<sup>[56]</sup>

It would appear, therefore, that the organization developed to protect the interests of the brewing industry could be regarded as successful in its aims. In the area of legislation, the industry continually resisted the frequent appearance of bills promoting ideas such as the local veto, Sunday closing, pure beer etc. It was also the case that regular national and local meetings of wholesale brewers and retailers which improved communications and understanding had a less public but equally important impact. Closer contact between all sections of the trade offered greater opportunities for the participants to make arrangements that may not necessarily have been consistent with greater competition.

### ***5.2.8 The Localisation of Competition***

North East brewers, like those elsewhere, fully recognised that commercial success depended upon both the extent and condition of their retail outlets, as well as the reputation of their products which were conspicuously advertised outside such premises. Competition amongst brewers was therefore at its fiercest when retail outlets were in close proximity and when the number of outlets within a particular area was high. If we were to consider the publicans' licences issued locally in 1912 alongside the 1911 census returns for each district (Table 48) the disparity in concentration of houses becomes clear. For example, South Shields, with a comparable population to Middlesbrough, had 64% more public houses; Tynemouth, with a smaller population than West Hartlepool, had three times as many public houses.

The essential feature of licensed house ownership reported in the 1892 Return (Appendix 7) was one of local concentration at a time when the North East's brewers were at that stage in no sense regional in influence. Market power was exercised within a limited radius of the firm's brewing operations, determined largely by transport and distribution considerations. As late as 1899 Lovibond stated that the Newcastle Breweries effectively traded within a limit of about 20 miles.<sup>[57]</sup> This tendency for individual brewers to hold most of their property in a few neighbouring licensing districts, combined with the geographical concentration of brewing into certain well-populated areas, created the high incidence of collective brewery ownership illustrated in Appendix 8. But it was just this concentration of a number of brewers in places such as Newcastle and Sunderland that rendered individual brewers' holdings less influential. Far from creating local monopolies, the large number of licensed houses of all ownerships within these districts, and the several brewers with similar levels of ownership, raised the level of competition rather than restricted it. Even an area like the Durham County Petty Sessional Division, which took in many of the county's mining villages but had no breweries situated within it, was subject to competition from those firms which found it easy to serve. Brewers accounted for 66% of public house ownership in the division, with the holdings of the top six providing the degree of competition demonstrated by Table 49.

*Table 48 : Publican's Licences for each North East District in 1912 and the 1911 Census Returns for the same Districts*

| District               | Publican's Licences | Population |
|------------------------|---------------------|------------|
| <b>County</b>          |                     |            |
| Durham                 | 1495                | 929214     |
| Northumberland         | 588                 | 371474     |
| <b>County Boroughs</b> |                     |            |
| Gateshead              | 116                 | 116917     |
| Middlesbrough          | 73                  | 104767     |
| Newcastle              | 355                 | 266603     |
| South Shields          | 120                 | 108647     |
| Sunderland             | 191                 | 151159     |
| Tynemouth              | 131                 | 58816      |
| West Hartlepool        | 45                  | 63923      |

Source : *Brewers' Almanack* 1914 p.200

*Table 49 : The Proportion of the Total Number of Public Houses in Durham County Petty Sessional Division held by the Six Largest Owners, 1914.*

| Brewer                  | % of Total Licences |
|-------------------------|---------------------|
| North Eastern Breweries | 9.8                 |
| J. Johnson              | 8.7                 |
| Newcastle Breweries     | 7.6                 |
| Cameron's               | 6.0                 |
| Robinson Bros.          | 6.0                 |
| Thos. Lamb              | 6.0                 |
|                         | <hr/> 44.1          |

Source : Durham County Petty Session Licensing Register, Durham County Record Office PS/Du 50

Those firms that did occupy prominent local positions were in those districts where there were few brewers and/or held all their property in one district. Thus, Harker & Co. and Nixey, Coleclough & Baxter together owned one-third of the

houses in Hartlepool in 1888, and the latter's absorption by Cameron's gave Harker and Cameron's a joint total of half the borough's houses in 1914. Similarly, at Houghton-le-Spring, local brewers Thos. Lamb and Robinson Bros. held almost 40% of the licences between them, and Joseph Johnson was the largest owner in Durham City and Plews the biggest in Darlington.<sup>[58]</sup> The Border Brewery's Norham holding (Appendix 8) indicates that local domination of a minor district could be achieved by the acquisition of a small number of houses.

Closer inspection of the licensing registers used to draw up Appendix 8 reveals that within each district's overall figures there are some telling distributions and movements amongst brewery ownership itself. In East Castle Ward, where total brewery ownership went from 37% in 1894 to 60% in 1911, the proportion owned by the three largest owners changed little at around 33%. There was clearly a high level of concentration in 1894 when the dominant firm held two out of every three houses owned by brewers; but by 1911 this firm held only one out of three and this increasing competition amongst brewers was due to a growing number building up small estates of five or more houses. In Newcastle, the top five brewers doubled their collective share of total licences between 1898 and 1900, but this then remained at 18% through until 1912. Again, the increase in total brewer ownership after 1900 is explained by small brewers picking up a few houses.<sup>[59]</sup>

The overall, admittedly sketchy, picture of competition amongst brewers that emerges is one of local concentration by local brewers. The degree of competition was broadly decided by the co-existence or otherwise of brewers in certain areas and the extent to which they had spread their tied trade. Cameron's for example, concentrated its efforts in the south of the region, recognising perhaps that distribution is less troublesome when tied houses are clustered nearby, and were consequently reported in 1901 to "own the great majority of houses in the Hartlepoons".<sup>[60]</sup> The North Eastern Breweries' tied estate mirrored its history,

with most of its houses centring on Murray's former properties in North West Durham, Junor's at Spennymoor, its Sunderland breweries and Kirk's properties around Stockton. Even by 1910 the North Eastern Breweries' only houses in Northumberland were a handful in Newcastle and North Shields.<sup>[61]</sup> Cameron's and the North Eastern Breweries were often strongly represented in the same districts, although one or two other brewers, with more restricted distribution and retail facilities but with strong roots in that particular area, offered a serious competitive threat. For instance, in Bishop Auckland Cameron's and the North Eastern Breweries competed closely with the West Auckland Brewery and Plews, and again with the West Auckland Brewery in Wolsingham (Table 50). Further north to the west of County Durham, the North Eastern Breweries were challenged by W.B. Reid and Newcastle Breweries.

*Table 50 : Proportion of Total Number of Houses owned by  
Certain Brewers in Three Licensing Areas, 1914*

|                         | Bishop Auckland | Wolsingham | N.W. Durham |
|-------------------------|-----------------|------------|-------------|
|                         | %               | %          | %           |
| Plews                   | 10.7            |            |             |
| West Auckland           |                 |            |             |
| Brewery Company         | 10.0            | 16.7       |             |
| Cameron's               | 15.2            | 16.7       |             |
| North Eastern Breweries | 10.0            | 23.3       | 16.9        |
| W.B. Reid               |                 |            | 12.7        |
| Newcastle Breweries     |                 |            | 7.6         |

Source : Bishop Auckland Licensing Registers, Durham County Record Office (DCRO) PS/Ba 10 & 11; Wolsingham Licensing Register, DCRO PS/BA 67; West Division of Chester Ward Licensing Register, DCRO PS A/La 79.

The Newcastle Breweries had a good coverage across County Durham and their distribution of premises over a wide area was given by management as proof of the company's ability to suffer less than others from localised trade depressions or industrial disputes.<sup>[62]</sup> The company's main rivals were neighbouring brewers. In Jarrow, in 1914, Newcastle Breweries held over one quarter of the licences, with another half of the licences owned by Newcastle, Sunderland and South Shields firms. In Gateshead almost a third of public houses were owned by Newcastle Breweries and two Gateshead brewers, and in Blaydon W.B. Reid and Rowell's joined Newcastle Breweries as the three most important owners with a total of 35%.<sup>[63]</sup>

The growth rates of the tied estates of Newcastle Breweries and North Eastern breweries reflected the national pattern of most acquisitions taking place before the turn of the century. Newcastle Breweries' tied houses increased by 50% from 1890–97 and then by 11% to 1914. The total houses controlled by North Eastern Breweries remained almost unaltered from 1899–1910.<sup>[64]</sup> By 1914 both companies were large regional brewers but, as Appendix 10 shows, they were strong rivals in some territories and had vastly different competitive strengths in other parts of the region.

### **5.3 MANAGEMENT**

#### **5.3.1 Control**

Day to day management in brewing businesses seems to have separated along two basic lines, although the division in practice may have been somewhat blurred. On one hand, there were the general management tasks involved with commercial and administrative aspects of purchasing materials, controlling sales and distribution matters, along with the supervision of tied estates and company travellers. Secondly, there was the management of the production process which



had conventionally been under the supervision of the head brewer.<sup>[65]</sup> The designation of some activities into either the province of general management or the brewer varied from firm to firm or from time to time. For example, when bottling and the quality of bottled beer became an important commercial consideration for Rowell's the process was transferred to the control of the head brewer.<sup>[66]</sup>

The outstanding feature of control in North East brewing, at directorate level generally and in the role of managing director specifically, was one of continuity amongst family members. For instance, when J.W. Cameron died in 1897 his younger brother took over, and this was also the pattern at many other firms when deaths occurred and other members of the proprietorial families already involved with the business took control. Indeed, there was only one new entrant to the industry in the North East during the period; at Darlington, where solicitor T. Clayhills acquired and remodelled the Haughton Road Brewery in the early 1890s. At Newcastle Breweries and North Eastern Breweries, companies formed by amalgamation of several firms, different generations of the same family continued to exercise control. With Newcastle Breweries, apart from a brief period, it was the Reed family that occupied prominent positions since the early days of Barras & Co. Similarly, when Richard Murray, the powerful figure who created the North Eastern Breweries, died in 1913, his son succeeded him as managing director. Both these companies enjoyed additional advantages at directorate level as a result of their birth by merger, which meant all their founding board members already had considerable experience in the brewing industry and licensed victualling as proprietors of their own businesses.<sup>[67]</sup> But it is doubtful, however, whether many of the founding families had any great influence on the day to day operations of the business. In this increasingly technical and competitive industry more depended on certain positions within the firm being held by skilled and professional personnel. Nevertheless, many firms went into the 1900s with some posts filled by staff who

had held them since long before incorporation. The Tweed Brewery had the same head brewer from 1882–1910, the head brewer at Nimmo's completed 42 years service in 1902, the confidential clerk at the Hope and Anchor Brewery had been there from 1881, Newcastle Breweries were employing a representative in 1908 who had begun with Barras's in 1878, in 1912 the head cellarman at Ridley, Cutter & Firth left after 45 years service, and a traveller with Tucker's for 50 years retired in 1907.<sup>[68]</sup> Whilst death and retirement may have deprived firms of their most experienced personnel, it also gave them the opportunity to recruit new blood with the skills and outlook that best fitted the demands of a changing, more competitive environment. This was perhaps most important in the areas of finance and technical brewing but firms were also required to give careful thought to appointments throughout the organisation. W.B. Reid, for example, recruited a retired inspector with 33 years service in the local police force as inspecting manager for the company's houses in the North Shields area.<sup>[69]</sup> In this gradual development towards specialist management the North East brewers seem to have been following developments elsewhere.<sup>[70]</sup>

The key position in the organisation remained that of head brewer, who was held responsible for the management of production and which effectively meant the maintenance of quality, the ultimate test of which was the extent of sales returns. For example, at a time when it was thought that "in a well-conducted business these should not exceed 2%",<sup>[71]</sup> Cameron's very small returns of 0.3% was taken as evidence of the overall health and strength of productive activities.<sup>[72]</sup> An insight into the working conditions and responsibilities of the brewer in a leading regional brewery is given in a long letter of resignation submitted by the head brewer at North Eastern Breweries to the firm's directors in 1900.<sup>[73]</sup> W.H. Blake resigned after eleven years following criticism about some beers being too highly coloured. However, Blake's discontent appeared to rest on more general dissatisfactions about

his responsibilities and the degree of power or discretion delegated to him. In this context his complaints were fourfold. Firstly, Blake felt he should have been consulted on the buying of materials and his approval sought on new plant and equipment purchased. Secondly, he thought he should have been given complete control of all aspects of brewing and all workmen involved. Thirdly, Blake argued that the Wear Brewery plant was not "in a condition to ensure the economic production of sound and well-flavoured beers and need bringing into a condition to meet modern knowledge and modern requirements". Finally, his duties and responsibilities had risen considerably but his salary had not kept pace.

When Blake took up his appointment he supervised a production level of less than 32,000 kilderkins per annum at only one brewery and a malting that produced around 3,000 quarters of malt. The expansion of the firm meant that he became responsible for "the care and supervision of three breweries producing 125,000 kilderkins annually and five maltings yielding about 12,500 quarters of malt annually with a corresponding increase in ... analytical work". Blake's letter includes a description of the distribution of duties amongst staff under his control in reply to general management's querying of the reduction in output at Wear Brewery (which coincided with an increase in the wage bill). Blake's argument was that there were some departments, for example malting and coopering, which were unaffected by the level of output :

The work in the maltings has considerably increased by the production of about 500 quarters of malt in excess of last year, and the fact that, during most of the year, we have been supplying three breweries and part of the year all four breweries, with malt from the Sunderland maltings, which means that the malt has to be moved to cleaner, dressed, sacked, weighed and dispatched. All this with the same malting staff as last year, help being given from the Brewery staff proper sometimes to the extent of four or five men per diem. During the summer months many musty casks, have to be dealt with, the cause being careless publicans and aged and porous casks; year by year, owing, probably, to the latter cause, this work increases; at the present time three men are kept

constantly going at it.

With regard to the brewing process itself, Blake pointed out that in a brewery of a particular capacity

a certain staff must be maintained to turn out a certain number of brewings, which same staff could easily cope with a much larger output... In short, because a brewing or so less per week is brewed, it does not at all follow that you can reduce the staff, and it is impossible to cope with the work and maintain cleanliness, in a brewery of the description of the Wear Brewery, with a smaller staff.

Also included in the wages book for which the head brewer was held accountable were draymen who were often transferred from work involving beer for "leading spirits and wines, doing farmwork and other jobs in no way connected with my department. In fact, I find that during the months of April and May men were taken off on 76 different occasions for one or other of the above purpose." A further accusation of Blake's was that alterations and additions to plant had the effect of increasing labour rather than displacing it. For example, "Wooden coolers substituted for copper and of larger area, large hop back with very faulty drainage, a new wort receiver, four refrigerators to clean instead of two and a longer series of wort mains to clean and maintain. "A final complaint about increasing workload was that "the floors, drains etc., are in such a bad condition that hours daily are almost fruitlessly spent in scrubbing and cleaning."

As Blake's letter demonstrates, the head brewer occupied an important position within the firm as the trained, salaried specialist, responsible for the functional control of a particular department, but in an organisation under the overall management of the traditional owner-families. This was the characteristic structure within the brewing industry at the time. As Chandler points out, "although most breweries were incorporated they continued to be run as private partnerships".<sup>[74]</sup> By this he meant that whilst positions such as head brewer, head

clerk etc. were filled by specialist staff, it was the convention for members of the owner-families to have general responsibility for their own areas such as distribution, public house management, wines and spirits etc.

### ***5.3.2 Science and Chemistry***

An important regional initiative in 1893 was the founding of the Yorkshire and North Eastern Institute of Brewing, one of four institutes which federated in 1895 under a central council. In 1898 the membership in Yorkshire, Durham and Northumberland was 108 but by 1903 the individual identities of the regional institutes had been surrendered with the formation of the Institute of Brewing. One of the objectives of the newly merged body was "the diffusion... of scientific and other knowledge practically and theoretically useful"<sup>[75]</sup> in brewing and allied industries. Much of the early discussion in the institute revolved around shortcomings in the provision for scientific education and training, but in 1900 a British School of Malting and Brewing was established as a department of Birmingham University, although an examination scheme for the Institute of Brewing did not come into force until 1916. Consequently, the introduction of a universal standard of tuition, knowledge and qualifications amongst brewers took some time to become established.<sup>[76]</sup>

In the period 1891–1914 the prime method by which most firms brought more scientific knowledge and competence into their operations was by the appointment of a suitably qualified and experienced brewer. The value of a brewer trained elsewhere, either at a larger local brewery or at a firm in a more prestigious brewing centre, was not lost on North East brewers. Some smaller companies looked to brewers who had gained experience at more advanced facilities nearby, and in this way the Monkseaton Brewery took on, in 1898, a younger member of the Nixey family who had learnt the trade with Nixey, Coleclough & Baxter. But it

was Scotland that was the source of brewers for many of the North East's breweries and Johnson & Darlings, for example, recruited an employee of MacClachlan's of Glasgow as head brewer. When the West Auckland Brewery Company was seeking a brewer the post was advertised in the *Scotsman*. Cameron's, however, boosted their scientific approach in 1900 by recruiting a former pupil of Dr. H. Moritz, a leading brewing specialist who had founded the Laboratory Club, the forerunner of the Institute of Brewing, in 1886.<sup>[77]</sup>

The application of chemical research to the practical work of brewing depended to a considerable extent upon the work of brewing consultants. Few breweries had established laboratories on their premises, not necessarily because of an unwillingness to do so but possibly because of the difficulty in finding qualified staff. For brewers who were not unaware of the merits of scientific examination but lacked their own trained chemists there was the possibility of the services of a consultant to test samples of beer or materials and diagnose problems. In 1913, when Rowell's were experiencing some difficulties with one of their products, they wrote to Birmingham University which recommended the head brewer with Rushton's of Birmingham, who was subsequently invited to inspect the Rowell's brewery and report on the system and materials used. Following recommendations – including an end to double brewings, a reduction in the quantity of home malts and a cessation in the use of spent refrigeration waters – the company was able to report that beers were by then of excellent quality.<sup>[78]</sup>

### **5.3.3 *Materials and Labour***

Since 1880 the 'free mash tun' had allowed brewers complete discretion in the choice of materials. By 1900 not only was a wide variety of different domestic and foreign malts available, but there were also different forms of sugars, rice, maize, hope and hop substitutes. However, the degree of freedom to combine these

materials depended upon the plant and the processes used in the brewery and the type of product produced. Moreover, the chief advantage of the newer substitute materials was that they could be used to keep down the cost of malt but, in an industry where the consumers' loyalty hinged on the standard and uniformity of quality of the product, the use of substitutes could prove a false economy. Stopes warned that :

Differences in cost of materials very rarely represents the true brewing value or profit-earning power. It often happens that a very cheap barley will not malt well, or does not yield a high extract when brewed. In such cases it is not so cheap as it seems.<sup>[79]</sup>

The use of substitutes given in brewers' returns show a varying usage across collections, but nationally the proportionate usage stayed almost constant from 1900 onwards. In 1900 the total inputs of malt and malt adjuncts were broken down into approximately 78% malt, 16% sugar, 6% rice and maize etc., and unmalted corn at little more than 0.1%. For 1912 the comparative figures were 75%, 18%, 7%, with unmalted corn at the same negligible level. Hop substitutes were never more than one half of one per cent of the total hop and hop substitute usage.<sup>[80]</sup> Table 51 shows the actual usage of materials in the combined collections of Sunderland and Newcastle.

*Table 51 : Use of Materials in Northumberland and Durham  
1890 – 1914*

| Year | Malt<br>(bushels) | 1<br>Sugar<br>(cwts) | Unmalted<br>corn<br>(bushels) | 2<br>Rice<br>etc.<br>(cwts) | 3<br>Hops<br>(lbs) | Hop<br>Substitutes<br>(lbs) |
|------|-------------------|----------------------|-------------------------------|-----------------------------|--------------------|-----------------------------|
| 1890 | 964872            | 31065                |                               |                             |                    |                             |
| 1900 | 953143            | 45585                |                               | 34601                       |                    |                             |
| 1910 | 894255            | 54325                | 1                             | 44051                       | 1060850            | 73                          |
| 1914 | 953641            | 59676                |                               | 48017                       | 1027938            | 121                         |

1. Includes the equivalent of syrups, glucose and saccharin
2. Includes rice grits, flaked rice, maize grits, flaked maize and other similar preparations.
3. Returns on hop usage were not collected until 1902.

Source : Returns of Brewers' Licences 1890–1914 (see <sup>244</sup>p<sub>Λ</sub> for full title).

With regard to labour, employment figures suggest brewing was not a particularly labour intensive activity. In 1906 only 690 people were employed in malting and brewing in the North Counties and Cleveland. Of these, 550 men of 20 years and above (3% of the national brewing workforce) were employed amongst the various occupations given in Table 52. From this we see that only small numbers were involved in the actual brewing process (i.e. mashing, boiling and fermentation) in comparison with, for example, malting, distribution and general supervision. The labour intensity of these latter, and other, allied activities may explain why employment in some areas rose (Table 53). This may well be a demonstration of those factors at work identified by the resigning brewer at North Eastern Breweries. It would seem that any scale economies enjoyed on the brewing or administrative side were erased to some degree by the increasing numbers needed to meet the growing demand for bottled beer, to maintain and repair greater amounts of machinery and to operate more extensive distribution networks.



*Table 52 : Numbers of Men (of 20 years and above) in various categories employed in North Counties and Cleveland 1906*

| Category                  | Number Employed | % of Total Employed |
|---------------------------|-----------------|---------------------|
| Foreman                   | 46              | 8.3                 |
| Maltmen                   | 40              | 7.3                 |
| Mashroom and Fermentation | 63              | 11.4                |
| Rackers                   | 34              | 6.2                 |
| Coopers                   | 38              | 6.9                 |
| Cask Washers              | 30              | 5.5                 |
| Draymen                   | 117             | 21.3                |
| Mechanics                 | 39              | 7.1                 |
| Others*                   | 143             | 26.0                |
|                           | <hr/> 550       | <hr/> 100.0         |

\*Includes Maltgrinders; Bottlers; Storesmen; Stablemen; Enginemmen and Stokers; Boiler-room, mechanics' and general labourers; and other men.

Source : *Report of an Enquiry by the Board of Trade into the Earnings and Hours of Labour of Workpeople of the United Kingdom* (1906) Vol. III (Cmnd 6556) p.199.

*Table 53 : Numbers Employed in Brewing and Malting, 1891 – 1911 in certain areas in North East*

|               | 1891      | 1901      | 1911      |
|---------------|-----------|-----------|-----------|
| Gateshead     | 37        | 44        | 58        |
| South Shields | 28        | 29        | 23        |
| Sunderland    | 78        | 130       | 134       |
| Newcastle     | 133       | 130       | 138       |
|               | <hr/> 276 | <hr/> 333 | <hr/> 353 |

Source : *Census of England and Wales 1911, Vol X, Occupations and Industries, Part II* (1913) [Cmnd. 7019] Table 13, p.107; *Census of England & Wales 1891. Ages, Conditions as to Marriage, Occupations, Birthplaces and Infirmitates Vol. III* (1893) [Cmnd 7058] p.476; *Census of England & Wales (1901). County of Durham (1902)* [Cmnd 1147] Table 35, p.62. *County of Northumberland (1902)* [Cmnd 1294], Table 35, p.65.

With respect to earnings, draymen had always enjoyed some of the highest wages, bettered only by skilled mechanics and coopers of the non-supervisory staff. Their critical importance was illustrated by their ability to improve pay and conditions by threatening strike action in 1913.<sup>[81]</sup> Industrial disputes were rare in brewing in the North East and the action by draymen in Newcastle and Gateshead was organised by the Amalgamated Union of Labour. The terms demanded were a working week of 60 hours at 27s and overtime at 6d per hour. After discussions amongst brewers – in which Newcastle Breweries, John Buchanan's and Rowell's appear to have been chiefly involved – the basic 27s, a 60 hour week and 6d per hour overtime were conceded, and pay differentials agreed as follows :

|  |                                  |
|--|----------------------------------|
| Single – horse drivers   | 27s                              |
| Double – horse drivers   | 30s                              |
| Labourers  | 25s                              |
| Motor drivers  | 37s                              |
| Motor first assistants   | 30s                              |
| Motor second assistants  | 4d per day over labourers' rates |
| Payment for special duty on Sundays was to be 2s for anything up to 7 hours and anything above to be paid in proportion. <sup>[82]</sup> |                                  |

Another group of workers in the chain of brewing and distribution were bottlers, but along with cask-washers they were the poorest paid workers in the industry and were invariably female. At Rowell's in 1914 the women bottlers applied for an increase in wages and an alteration in hours based upon conditions for those employed by bottling firms elsewhere. After a series of meetings with union representatives the company agreed the following terms :

|            |  |
|------------|--|
| Hours :    | 7.00 a.m. to 6.00 p.m. Summer<br>7.30 a.m. to 5.30 p.m. Winter   |
| Holidays : | 6 in all   |
| Wages :    | Sorters and washers up from 9s to 10s<br>Labellers from 10s to 11s, advancing to<br>12s after 6 months experience<br>No advance in piecework. Agreement to<br>abandon piecework in future. <sup>[83]</sup> |

As far as can be ascertained, brewing firms faced a situation in which the quality of both materials and labour inputs were crucial elements in production but offered little scope for cost savings or efficiencies. The nature of competition, with its stress on supplying a product of consistent characteristics, removed the possibility of fundamental change in inputs and left brewers with little alternative but to use basically the same materials whatever the price. At the same time, the relatively small workforce gave little room for manoeuvre. In addition, there were, as we have seen, serious doubts about the labour-saving effects of introducing technology into brewing. This left the preparation of malt and the distribution of the final product as areas for potential economies and it was in these areas that the leading North East brewers concentrated much of their efforts. By 1914 the largest brewers in the region were providing their own malt, obviating the need to pay maltsters' margins and avoiding the reliance on others to meet orders and deliver. At the retail end of operations the same brewers had extended and consolidated their tied estates to enable a larger more cost-effective retail network to be served by the most efficient means of transport.

## **5.4 PERFORMANCE**

### **5.4.1 Profitability**

In a study of profitability for 1885–1914, Gourvish & Wilson summarise the national brewery trade's fortunes during the period as follows :

"... the brewers experienced periods of anxiety, which is scarcely surprising given the fact that demand was sensitive to fluctuations in the trade cycle. Trading was difficult in the early 1890s, but recovered well in the second-half of the decade. After another period of difficulty towards the end of the next decade... the industry was agreeably surprised at how well the market settled down thereafter."<sup>[84]</sup>

The experience of North East brewing companies would appear to follow this general pattern, although the overall performance of all brewers in the region is not easy to establish or assess. Dividend payments and profits are usually available but in most other respects information is limited. Those firms that issued no ordinary shares to the public provided no details of their financial affairs, and those who were obliged to disclose information did so in a minimal form. "Nearly all brewery balance sheets", wrote Stopes in 1895, "are artfully compiled",<sup>[85]</sup> and this lack of detail in the accounts of brewing firms was a complaint to which the financial press regularly returned.<sup>[86]</sup> Profit and loss statements of public companies divulged nothing about actual output or volume of turnover: they dwelt on operating expenses, net profit and its appropriation. Chairmen's addresses at annual meetings were sometimes more forthcoming but more often than not were the vehicle for propagandising on behalf of the industry, stressing threats to the trade and tending towards the over-pessimistic.

Vaizey's survey of the brewing industry summarises the period 1886–1912 by saying that the "picture is a confused one. In fact, brewing was for some firms a prosperous industry, despite occasional trade depressions and increased licence dues. But the public over-enthusiasm was succeeded by an equally unsound public fear".<sup>[87]</sup> This statement highlights a weakness that was also particularly prevalent in contemporary commentaries on the state of the trade; namely, the tendency to

discuss the industry in terms of investment opportunities with emphasis placed on dividend records, the market for brewery securities and those factors which may encourage or discourage the purchase of shares. This creates three potential dangers that confuse the picture of a firm's underlying financial viability and stability. Firstly, the stress on stock market values and levels of trading in brewery stocks gave a prominence to factors which may have little to do with the actual performance or health of a particular company. For instance, the political campaigning from time to time, which was hostile to the trade and was seen as carrying with it the possibility of future restrictive legislation, may have had a disincentive effect on share-buying but had little or no effect on the actual cash position or turnover of the firm. Furthermore, as Vaizey's statement implies, the market for local or smaller brewery shares may reflect the difficulties encountered by much larger, differently-structured firms in other centres, rather than the regional firm itself.

A second danger in adopting the stock market perspective is that dividend records may be reflections of contrasting dividend policies amongst firms, rather than some fundamental difference in financial standing. Thirdly, there was often very little business transacted in the North East brewery shares and relatively small deals could have a disproportionate effect on their values. It seems that some brewers recognised this and were prepared to use it to their advantage, as is evidenced by the following extract from a letter to the managing director of North Eastern Breweries from his stockbroker in 1908 :

You will have noticed from quotations that North Eastern Breweries ordinary shares have fallen from £7.10s to nearly £7. This, of course, has been due to the Licensing Bill, but we would like to point out that the market was broken by a seller coming onto the market with 50 shares and there being no supporting orders on the market and the seller had to take £7. This points out the seller of 50 shares had depreciated your ordinary capital by nearly £30,000. We only mention this to show how right it has

been of Mr. Murray in the past to give in a small supporting order and thus handle the market and keep your shares at 50% premium, while the majority of other shares have fallen to a substantial discount. We have also in the past boasted to friends about your shares never being below 50% premium over a period of years and this was only brought about by a little judicious buying on the part of Mr. Murray.<sup>[88]</sup>

But, in spite of the caveats surrounding its use, the dividend record of a firm may be the only indicator available of performance. Such company records that are available suggest that the North East firms compared favourably with the trade nationally.

#### **5.4.2 Boom Years**

It is certainly the case that the dividend performance of North East brewers during the 1890s amply repaid the faith placed in them by those members of the public who had eagerly subscribed capital, with profits and dividends declared being in excess of those anticipated in prospectuses.<sup>[89]</sup> Even allowing for individual fluctuations and the misgivings expressed by company directors, the last ten years of the nineteenth century were good years for brewing firms.

As the quote from Gourvish & Wilson suggests, the brewers themselves thought conditions at the beginning of the 1890s had not been helpful to their trade and reports made mention of two factors to which company chairmen would frequently return; the cost of raw materials and the state of the local economy. This latter factor was epitomised as periods of 'dullness' or 'decline' in the 'trade of the district' and was attributed to recession or depression in local industry or to labour unrest. In addition, the heightened competition triggered by acquisition, merger and the purchase of licensed houses in the 1890s, was said to make it more difficult for brewers to earn profits. It was the chairman of Newcastle Breweries who remarked that it required "far more work and thought to obtain the same profit

now than it had 25 years ago".<sup>[90]</sup> In 1892, however, when the company declared an ordinary dividend of 8%, the chairman used *Duncan's Brewery Manual* to compare the results of his brewery with others. The results available for 115 of 130 limited liability companies in Great Britain showed only fourteen breweries distributing greater dividends and twenty-four an equal amount. Of the remainder showing less favourable returns, ten failed to pay anything.<sup>[91]</sup> The Newcastle Breweries annual profits fluctuated around £50,000 from 1890–5 and then enjoyed a steady rise up to 1900. Other brewers in the region had similar results towards the end of the decade: North Eastern Breweries, for example, was able to report a growth in output of 28% in 1898 and further increases of between 5 and 10% during the next year.<sup>[92]</sup>

Company performance during the early years of the new century was generally satisfactory. 1900 saw increased trading and profits for Newcastle Breweries and the North Eastern Breweries reported a "most successful" year.<sup>[93]</sup> In 1901 Newcastle Breweries matched their previous year's profits despite additional spending on repairs and alterations, and the company declared a 2½% bonus over and above ordinary dividend. Cameron's was able to pay 16% on ordinary shares in 1902 and the Border Brewery showed its highest trading profit even though it charged the costs of unsuccessful merger negotiations to revenue.<sup>[94]</sup>

### ***5.4.3 Depression and Recovery***

Brewing companies' annual reports at the turn of the century avoided reference to the growing competition from other commodities and changing leisure activities, and relied upon a familiar mix of attacks upon the Government's treatment of the industry and the weakening spending power due to local trade conditions. In spite of the apparent air of prosperity surrounding the industry, however, brewers were cautioning shareholders about future expectations. One of

the new concerns creeping into chairmen's addresses was the rating assessments on brewery properties.

Some of the North East's leading brewers were beginning to report lower profits and one, the Alnwick Brewery, was making a loss. By 1903 Newcastle Breweries suffered its second successive fall in profits and its dividend dropped to 10% compared with 12½% for the previous two years. The company's own beer production had increased slightly but this was not enough to compensate for two years of falling turnover of bought-in products. Cameron's suffered 14% fall in trading profits in 1903.<sup>[95]</sup> Brewers blamed the cost of materials — hop prices doubled between 1903 and 1904 — and then made much of the extra burden imposed by rating assessments. In 1905, for instance, the chairman of North Eastern Breweries calculated that the average increase in rates and assessments since 1890 had been 42% for the ordinary ratepayer and 83% for licence-holders. It is likely, however, that the brewers, in their propaganda battle against the Government, over-stated the effect of rating valuations which were often successfully contested.<sup>[96]</sup>

By 1906 there were signs that the general depression that prevailed in the brewing trade was lifting. Newcastle Breweries showed a substantial improvement in profits, North Eastern Breweries reported "such a favourable year" that they were "able to write off sufficient for depreciation as would keep them secure for many years to come", and Robt. Deuchar was paying 6% on ordinary shares as against nothing a year earlier.<sup>[97]</sup> But by 1908 all this had changed. Newcastle Breweries, North Eastern Breweries, Cameron's and Robt. Deuchar all explained the turnabout in profits in terms of labour disputes in engineering and shipbuilding. The Gateshead Breweries Corporation talked of "perilous times" and Newcastle Breweries reported a shrinkage in "almost every department and a 44% drop in barrelage of whisky sold".<sup>[98]</sup>



The focus of brewers' complaints then became the 1910 Finance Act under which brewers' excise licence duties were doubled and retailers' licences were raised, although the basis of assessment was unchanged. Those brewers with extensive tied estates and also larger individual properties stood to suffer most. The new publicans' licence duty was fixed at one half of the annual value of the new premises and tied houses were allowed to recover a proportion of the increased duty from the person by whom it was tied to match the benefit he derived from the licence. The brewers, however, were left in 1910 with added costs on depreciating properties.

Newcastle Breweries calculated that the new duty meant the equivalent of adding 3d to the cost of a barrel of beer and the company's return to the Exchequer of extra licence duty, the 1900 additional war-time beer duty and compensation fund levies totalled £21413 in 1910. The effect in many cases was to diminish the divisible profits of brewing companies at a time when trading profits were increasing. Newcastle Breweries proposed its smallest dividend and for some other firms dividends on ordinary and preference shares were gradually disappearing.<sup>[99]</sup> In one or two more extreme cases the interest on debentures was also in arrears. Robt. Deuchar, for example, had a considerable reduction in profits and declared no dividends.<sup>[100]</sup>

*Table 54 : Ordinary Share Dividends of some North East Brewers 1907 – 1914*

|                         | 1907 | 1908 | 1909 | 1910 | 1911 | 1912 | 1913 | 1914 |
|-------------------------|------|------|------|------|------|------|------|------|
|                         | %    | %    | %    | %    | %    | %    | %    | %    |
| Cameron's               | 12   | 10   | 11   | 12   | 12½  | 14   | 16   | 16   |
| Jas. Deuchar            | 12   | 6    | 6    | 3    | 2    | 4½   | 6    | 3    |
| Newcastle Breweries     | 8    | 5    | 5    | 2½   | 5    | 6    | 8    | 8    |
| North Eastern Breweries | 12   | 12   | 12   | 12   | 12   | 12   | 12   | 12   |
| W.B. Reid               | 10   | 10   | 8    | 6    | 8    | 9    | 10   | 10   |
| John Rowell             | 12   | 12   | 7½   | 7    | 4    | 5    | 5    | 6    |

Source : *Stock Exchange Official Intelligence* 1914.

Table 54 shows the dividends declared by six North East brewers in the years up to the outbreak of the First World War. The dividend record of North Eastern Breweries is clearly exceptional, but the other firms, although with differing levels of dividend, demonstrate a steady improvement from 1911 when the regional economy was showing improvement. In 1912 the Newcastle Breweries' profits were up by 26% and it declared its highest dividend for five years. Cameron's, like other brewers, indicated that profits would have been even higher but for increased costs.<sup>[101]</sup>

#### **5.4.4 Financial Problems**

During the period 1891–1914 no North East brewer suffered the same financial problems as in celebrated cases elsewhere, but they did from time to time find themselves in difficulties. In 1900, in order to re-establish the Pine Street Brewery in Newcastle, Edward Wilkinson met in full the liabilities incurred by the firm of Messrs. Wilkinson & Co., although he was in no way personally liable; and the creditors duly presented him with a silver vase in appreciation of his "commercial morality".<sup>[102]</sup> The Blyth & Tyne Brewery Co. found themselves

facing a winding up petition from creditors who were mortgagees for a large sum. The original High Court hearing was adjourned to allow the company to take steps to find funds to take over the mortgage. The petition was withdrawn when the company raised £28,500 to pay off the mortgage debt and petitioner costs.<sup>[103]</sup>

The fate of another firm, J.H. Graham Ltd., illustrates the ease with which it was possible to enter the industry and maintain control but also find it impossible to service the debenture stock. Graham had been a small-time brewer, a licensed victualler and a wine and spirit merchant who had acquired a large number of public houses. In 1900 he sold some of these properties to a company registered as J.H. Graham Ltd. A later bankruptcy court was told that "the bulk of the shares at all times were held by Graham himself. Graham, in fact, was the whole show".<sup>[104]</sup> The last accounts issued by the company were in 1906 and the last dividend on ordinary shares was 1½% in 1904. No dividend was ever paid on preference shares. In 1908 Graham gave notice that the company was unable to carry on its business and the trustees for the debenture-holders appointed receivers. From thereon, the company was nominally kept alive for the benefit of the debenture-holders. Graham himself had parted with all his ordinary shares, including £50,000 in ordinary shares which had been converted into preference shares and given to Worthington & Co. as security for debts. Graham had also given up his debentures and until 1920 this North East brewing company was effectively controlled by a Burton brewer.<sup>[105]</sup>

The Border Brewery was beset by financial problems from around 1905 when it attempted to solve some of its problems by pursuing a merger with a Scottish firm. When this came to nothing it resolved to write down its capital, but this was left in abeyance in 1906 when instead it gave an option for the outright purchase of the business to a new company for £105,000. This was not taken up, but by 1909 the company was experiencing further difficulties, raising loans from bankers to pay

debenture interest and two years later borrowed money on the security of its bonded stores to meet certain accounts. Discussions took place with debenture-holders to find a way in which the company could be carried on and negotiations with the other Berwick brewer, Johnson & Darlings', proved fruitless. The Border Brewery Co. then entered a period of receivership but that came to an end in 1913 and the company resumed trading operations.<sup>[106]</sup>

Robt. Deuchar's move into Scotland and the acquisition of licensed houses appears to have put constant pressure on the company's cash flow. In 1898 they were able to borrow £30,000 by mortgaging newly-built property and repaying it two years later by issuing debentures. By 1908 F. Deuchar, who had succeeded his father, was providing personal security for £30,000 against an overdraft in the company's current account. In 1910 the overdraft was increased to pay that year's additional licensing duties with the bank taking an insurance policy on F. Deuchar's life. By 1910 the overdraft was increased to £82,000, largely secured on the Shortridge Estates and making Deuchar personally liable to the extent of £72,000. The last dividend declared on the privately-held ordinary shares was 6% in 1907 and the 5% cumulative preference shares were paid up until 1909. Since then there had been no preference dividend until the 2½% paid in 1914.<sup>[107]</sup> Although all these companies had to endure financial troubles in an awkward period for the industry, they did overcome them to survive intact. Indeed, by 1914, most brewing firms were looking healthier. Market opinion confirmed this, with Robt. Deuchar's preference shares, for example, improving dramatically from a 25s valuation in 1912 to 95s at the end of 1913.<sup>[108]</sup> Despite continued propagandising by the trade, North East breweries were profitable businesses (some of them with considerable reserves and tied estates), which endorsed the contemporary judgement made about the industry by the *Economist* that

it must be realised that the industry as a whole is not in the harassed and downtrodden condition that opponents of the last revision of the licensing regulations would have liked to have made everyone believe.<sup>[109]</sup>

## **5.5 SUMMARY**

By 1914 competition had become a keener and more complicated affair. The importance of product quality, led originally by brewers from outside the region and also influenced by the development of bottling, overshadowed basic price competition. Furthermore, the advances made by brewers into the retail trade and the improvements in distribution decided the degree to which local markets within the region were effectively contested. Accompanying this sharpened sense of competition amongst brewers, however, was a recognition that foundations should be laid for greater cooperation between members of the industry through trade organisation when the circumstances warranted it. In terms of control at directorate level in individual firms, North East brewers displayed a high degree of involvement by members of original founding families, but technical management was moving in to carry out particular specialist and administrative tasks. As for the performance of companies between 1891 and 1914, brewers experienced some difficulties but most ended the period in a healthy position.

**PART FOUR : 1914–1920****CHAPTER 6 : WAR AND ITS IMMEDIATE AFTERMATH**

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## *CHAPTER 6 : WAR AND ITS IMMEDIATE AFTERMATH*

### *6.1 INTRODUCTION*

At the outbreak of the First World War the brewing press, without any direct precedents as a basis for conjecture, expressed concern about the expected interruption in the supply of materials and the anticipated fall in consumption.<sup>[1]</sup> It soon became apparent, however, that the dictates of war and the attitude towards the trade held by Liberal politicians would ensure that the industry operated for the duration of hostilities under strict, and often drastic, government regulation. Indeed, but for some minor slackening of control after the Armistice, governmental regulation remained in force until 1921. North East brewers, therefore, experienced seven years of curtailed hours of sale, restrictions upon output and the volume of raw materials used, and reductions in the strength of their products.

### *6.2 GOVERNMENT REGULATION*

#### *6.2.1 The Central Control Board*

Within five days of the outbreak of war the first Defence of the Realm Acts was passed, allowing regulations to be made in the interests of public safety or national security. Of the first regulations issued, one concerned the supply of drink to members of the forces and another gave military authorities power to decide opening hours for licenced premises in districts close to seaports. A later amendment of this latter regulation substituted the reference to "the neighbourhood of a defended harbour" with the much wider "any specified area".<sup>[2]</sup> Also in the first weeks of the war the Intoxicating Liquor (Temporary Restriction) Act was passed, giving licensing justices the power to limit hours of sale or consumption of alcoholic drink. These early wartime measures resulted in immediate restrictions on

the North East trade. In August 1914 magistrates in Newcastle took the lead in unanimously exercising their powers and closing public houses two hours earlier, with similar decisions subsequently taken in other licensing districts. Later in 1914 an order under the Defence of the Realm Act restricted the permitted hours for supplying soldiers in a wide area surrounding Newcastle.<sup>[3]</sup>

By 1915, however, the restrictions already imposed, concerned as they were with questions of sobriety amongst servicemen and the suppression of drunkenness amongst the general populace, were seen as peripheral to the central issue of industrial efficiency in general and munitions manufacture in particular. The skilled propagandists of the temperance movement were well to the fore, but a new departure was the appearance of other groups calling for more severe means of control. For example, a deputation from the Shipbuilding Employers' Federation — including representatives of firms in Newcastle, Walker, Jarrow, Wallsend, Hartlepool and Sunderland — waited upon the Chancellor of the Exchequer to press for a total prohibition on the sale of alcoholic drinks during the duration of the war.<sup>[4]</sup> But total prohibition was only one possible form of action. It was becoming clear, as politicians and the press became more outspoken on the question, that some degree of state regulation was to be applied. The *Manchester Guardian* summed up the mood by saying that "there are times when it is easier to handle a question broadly and comprehensively than to nibble at it, and we misjudge the feeling of the country if this is not such time".<sup>[5]</sup>

The major alternatives advocated were total prohibition, state purchase, and a rigorous reduction of drinking facilities. Other suggestions included a prohibition of spirits, the introduction of much weaker alcoholic drinks, and the development of refreshment rooms and works canteens to supply food and non-alcoholic drinks. All these measures were put forward in a variety of forms and sometimes in a number of combinations. In the event, the Government appeared to settle on a two-pronged



attack. Firstly, fiscal policy was used in attempts to reduce the consumption of drink, especially strong drink. Secondly, machinery was introduced to facilitate the control of the liquor traffic in designated areas.

Under the first strand of government policy, spirit duty was doubled, the maximum limit on the dilution of spirits was raised and the duty on wine quadrupled. A new beer duty was introduced but did not apply to beers of the lowest gravity, thereby placing a surtax on heavier beers. The second arm of government policy, direct control, was secured by the creation of a Central Control Board (Liquor Traffic) to supervise the trade in any area defined by an Order in Council. For an area to qualify it had to be one in which "war material was made or loaded or unloaded or dealt with in transit ... or that men belonging to His Majesty's Naval or Military Forces are assembled in the area" and it was also judged "expedient for the purpose of the successful prosecution of the present war that the sale and supply of intoxicating liquor in any area should be controlled by the state".<sup>[6]</sup>

In practice, most areas of the country were found to qualify, although designation was not a foregone conclusion.<sup>[7]</sup> When the second batch of Orders were made in the Summer of 1915 they included one for "Tyne, Wear, Tees" comprising

city of Newcastle; county boroughs of Tynemouth, Gateshead, South Shields, Sunderland, West Hartlepool, Middlesbrough and Darlington; boroughs of Stockton, Hartlepool and Jarrow; the petty sessional divisions of Gateshead, Chester-le-Street, South Shields, Sunderland, Houghton-le-Spring, Seaham Harbour, Castle Eden, West Hartlepool, Stockton and Darlington; the divisions of Thornaby and Yarm, North Langbaugh, East Langbaugh, and West Langbaugh in the North Riding of York.<sup>[8]</sup>

Later in the year the scheduled area was re-christened the "North East Coast" and extended to include the whole of County Durham, the petty sessional division of

Morpeth and further parishes in North Yorkshire.<sup>[9]</sup> By the close of 1915 half the population of Great Britain was living in areas covered by the Central Control Board and by the beginning of 1917, 38 millions of a population of around 41 millions were affected. In the North East only Berwick and district fell outside the Board's control, and for most of the regional brewing companies almost their entire tied estates were within scheduled areas. For instance, the first "Tyne, Wear, Tees" boundaries embraced 80% of Newcastle Breweries' licensed properties and with the later extensions to form the "North East Coast" the company had only a dozen houses operating outside the Board's regulations.<sup>[10]</sup>

When the Board was set up, its Standing Rules and Orders conferred upon it very wide discretionary powers. Writing shortly after its demise in 1922, Shadwell, listing these extraordinary powers, said that

In short, the Board were made complete masters. They could, in effect, do anything they pleased within the limits defined; their agents were exempt from the licensing laws, and the police were placed at their disposal with instructions to carry out their orders and enforce regulations. Nor was there any appeal from their decisions, which were not subject to public revision.<sup>[11]</sup>

However, it seems that the wide-ranging powers of the Board brought with them a sense of responsibility in the exercise of such powers. When the chairman of the Board, Lord L'Aberon, met with municipal and licensing authorities in the North East he stated that Orders issued by the Board were only intended to restrict alcohol sales to the two principal meal times, put an end to treating and credit, curtail off-sales, prohibit the door to door canvassing for drink sales and the dilution of spirits.<sup>[12]</sup> For those in the trade, of course, this was too much interference, but the discretion with which the Board exercised its powers had ensured its actions did not run too far ahead of public opinion (given the wartime conditions) and did not arouse undue antagonism.

For the brewing trade, as much as they disliked the existence and behaviour of the Board, their views were tempered by an awareness of a much more drastic form of control introduced in what became known as the Carlisle Scheme.<sup>[13]</sup> The response of North East brewers, therefore, when faced with further restrictions or regulation by the Board, was to adopt (at least publicly) a patriotic stance which pointed out the difficult position they found themselves in but acknowledged the greater national priorities. Typically the chairman of Rowell's announced in 1916 that if further restrictions were necessary "for the successful prosecution of the war" he thought "the trade would cheerfully and willingly submit without complaint".<sup>[14]</sup> Such a spirit of cooperation and a willingness to comply with a degree of state control underpinned all the trade's dealings with the various authorities. It was the case also, of course, that any negotiations between government agencies and brewers took place against a background where the implied threat of out and out public control was ever present.<sup>[15]</sup>

### ***6.2.2 Output Restrictions and Shortages***

The chief restraint upon brewing itself came not from the Central Control Board but through the activities of the Board of Trade and the Food Controller in their direct restriction of output. The Output of Beer (Restriction) Act of 1916 was the first step in what was to be a severe limitation on the manufacture of alcoholic drink. The aggregate quantity of beer produced for the year 1916–17 was set at 26 million standard barrels, which represented a fall of 4 million on the previous year and 10 million on the immediate pre-war level. Then, in 1917, a new level was fixed which would require an even more swingeing cut: the output for 1917–18 was to be only 10 million barrels, a drop of 62%. When such an extreme reduction proved too ambitious the output limit was raised by one third but with a proviso about maximum gravities. In 1918 this one-third increase was itself reduced and

gravities were also brought down. Following the end of the war there was pressure from the trade and its customers for an end to output restrictions and these were relaxed gradually during 1919. The gravity of beer remained restricted until 1921.<sup>[16]</sup>

Output restrictions exacerbated a pre-war situation of under-utilised plant and at Rowell's the brewery was only operating at about half its capacity in 1915. The restrictions in 1916 meant that Rowell's quickly ran down their extensive stocks and after brewing the maximum permitted amount they were unable to meet the demands of their licensed houses. The company decided to curtail the bottling of its own beers and were able to supplement their draught beer output with small supplies of mild and bitter from Ridley, Cutter & Firth and from Truman, Hanbury & Co. However, this made very little difference and an ambitious attempt to buy up the permitted brewings of other firms was launched. Negotiations with several brewers for the transfer of their Beer Certificates (ie permissions to brew), for which Rowell's offered £1 per standard barrel, were set in train but produced no positive results.<sup>[17]</sup>

Output limits were, of course, formulated in terms of standard barrels so the output set by the Board of Trade was not necessarily the actual bulk production but its standard equivalent. Whilst brewers were seriously constrained they did retain some room for manoeuvre within their overall limits. They could not avoid reducing volume and cutting gravities but could — to some extent at least — determine this product range, the amount of dilution and therefore the number of bulk barrels they were to brew from materials available. Following the restrictions of 1916 the Newcastle Breweries stopped brewing one of their products, reduced the gravity of all others by 8° and decreased the number of orders they were prepared to accept from the free trade. In a later move it was resolved to supply only one mild and one bitter beer to tenants, managed houses and free trade, and at a further

reduced gravity.<sup>[18]</sup>

Output restrictions caused concern both locally and nationally that the growing shortage of beer would force the closure of public houses. In the Spring of 1917 there was speculation that across the country 3000 public houses would be closing within three months, and by early Summer of 1917 several public houses in Sunderland had closed. At Rowell's there was speculation that many of their tenants would be unable to keep open if there were further reductions in supply, and the board contemplated the closure of some of its smaller houses.<sup>[19]</sup> Although almost all closures proved temporary, the problem was such that in the North East in 1918 attempts were made to organise systems of rationing. At West Hartlepool members of the Licensed Victuallers' Association arranged to allocate a proportionate quantity of weekly supplies to morning and evening sessions across the week. Other schemes were implemented elsewhere but often created as much dissatisfaction as the unpredictability of supply they sought to remedy.<sup>[20]</sup>

The overall shortage also brought pressure on the trade to recast supplies so that more generous allocations could reach what were considered the more needy customers, usually those engaged in heavy manual work. But when this did happen it failed to satisfy everyone. In one instance, after visits from the leaders of the Blastfurnacemen's Association, licensed victuallers in the Consett area approached local brewers urging a larger allocation. The response was to supply one licensed house only, in Consett, with sufficient extra beer to exclusively provide two pints at each opening period for blastfurnacemen at Consett Steelworks. This only served to provoke local representatives in nearby communities such as Leadgate, who felt strongly that other classes of heavy manual workers were entitled to the privilege of supplementary beer rations.<sup>[21]</sup>

Inevitably, with a strictly limited supply, many groups in the North East thought they had legitimate grievances about the distribution of beer. Meeting in

Newcastle, the Workmen's Protection League, said to be composed mainly of munitions workers, took up the slogan "Give Us Beer and Regular Hours", and protest meetings of disappointed customers were held in Willington Quay. Formal appeals were also made to the licensing justices at Jarrow. Here, one of the directors of Newcastle Breweries appeared before the magistrates to argue that the town was getting its fair share of beer and his company's policy of closing down some houses each week was a scheme of rationing which would ensure that drink was available each period each day somewhere in the district.<sup>[22]</sup>

The brewers were conscious of the annoyance felt by the consumer in respect of price rises, and the problems caused by shortages was adding to the general distrust. The Northumberland and Durham Brewers' Association tried to overcome the difficulty by promoting schemes of voluntary rationing after discussions with the Central Control Board and others. An early experiment was at Hebburn where the local brewers first made a point of discussing the problems with deputations from the local workforce and agreeing opening hours. In Newcastle brewers and retailers met the Chief Constable and then the licensing benches to draw up guidelines,<sup>[23]</sup> with the Brewers' Association clearly working hard to salvage as much goodwill as possible in difficult circumstances. The fact that they received the ready cooperation of the police and the licensing authorities was indicative of the growing awareness towards the end of the war that the shortage of beer was contributing to labour troubles. The cause of industrial unrest, said the *Iron and Coal Review*, was "capable of being in a large measure boiled down to a cry of more beer and cheaper food".<sup>[24]</sup> Given that beer shortages were not a distribution problem but one of limited supply fixed by government decree, the brewers could actually do little about the problem. The situation only improved, and the brewers' position eased somewhat, when the government relaxed output restrictions. But this was not a result of trade pressure so much as a government commission suggesting that

shortages were causing unrest and interfering with output.<sup>[25]</sup>

When permission for additional beer output was granted, its allocation amongst brewers and its distribution amongst retailers proved contentious. In the North East the Northumberland and Durham Brewers' Association set up sub-committees to reach agreement on allocations amongst members, but even with extra beer there was still insufficient to meet all the needs of licensed premises. The position was also aggravated by the failure of association members with Scottish brewing facilities (faced with transport difficulties and congestion on the rail network) to deliver their stipulated proportion of output. North East-based brewers therefore agreed to supply those licensed premises which were not able to obtain their customary supplies from Scotland.<sup>[26]</sup> The association and other local trade groups were devoting a lot of effort towards coordinating the allocation and distribution of the industry's permitted output. They clearly recognised the need to allay public fears about the fairness and otherwise of beer supplies or at least keep public concern down to manageable levels.

### **6.3 THE ORGANISATION OF THE TRADE**

#### **6.3.1 Structural Change**

In what was for brewers a period of consolidation under an unprecedented degree of regulation, new company flotations were never going to occur. There were, however, a small number of private company formations and a significant new entry under friendly society status.

In 1914, following the death of its owner, the Ovington Brewery, along with five licensed properties, was put up for auction but failed to reach its reserve price. Rowell's, for example, had contemplated purchasing the properties but, after inspection, did not bid. Within weeks, however, a licensed victualler in nearby Ovingham had formed a £9000 private company under the existing name of Lumley

& Co. to carry on the brewery. Perhaps because of the increasing vulnerability felt by firms during wartime conditions a few other well-established North East brewers sought limited liability status between 1914 and 1920. Largest of these were Joseph Johnson, who brewed at Westoe and Durham, and was registered as a private company in 1917 with a capital of £250,000. In the same year Thos. Lamb & Sons of Hetton-le-Hole was registered with a nominal capital of £70,000 and later, W. Robson of Sunderland with a £40,000 capital.<sup>[27]</sup>

Another new company, reflecting the growing interest by brewers in improved licensed premises and catering, came with the registration of Newcastle Hotels Ltd. A private company with a capital of £125,000, it had as its objects the business of hotel and restaurant keeping and licensed victualling. It was formed by local brewer Jas. Deuchar and a director of Bass.<sup>[28]</sup> A minor development in Scottish brewing's connection with the North East was the creation in 1920 of Calders (Newcastle) Ltd with a £30,000 capital to operate essentially as a subsidiary of Calders of Alloa.<sup>[29]</sup>

It was precisely the wartime conditions that discouraged development and innovation amongst existing brewers that provided the stimulus for the one new entrant to the region's trade. Those closely involved with workingmen's clubs in the North East observed the promotion of club-owned brewery schemes elsewhere in the country and saw them as possible solutions to the movement's complaints about high prices, shortages and inferior products. By early 1919 some of those involved in the 1905 attempt to operate the Rainton Brewery, whilst admitting that the project had foundered because there was not a broad enough base of support amongst the clubs, felt that there were now enough clubs in the region to pursue such a scheme. A number of meetings were held, and at a delegate conference of both the Durham and Northumberland Branches a resolution in favour of purchasing a brewery at Alnwick was passed.<sup>[30]</sup>



Meanwhile, the body to run the brewery was set up. The Northern Clubs' Federation Ltd. was a corporate body with limited liability and registered under the Industrial and Provident Societies Act.<sup>[31]</sup> It was formed with the objective of establishing brewing and other manufacturing facilities to meet club needs, and to function as a wholesale agency for the supply of beers, wines, spirits and other requirements. Shareholding membership of the Federation was confined to clubs registered under the Industrial and Provident Societies Act. There were no individuals admitted as members, only clubs who were required to subscribe to the 5s shares to the extent of at least one share for each of its members and thereafter increase their shareholding as their membership increased. Voting power accorded with the number of shares held and the management of the organisation was vested in a committee elected annually. Interest on share capital was to be paid at not less than 5% per annum. Profits were to be distributed in proportion to purchases.<sup>[32]</sup>

In the early stages of its existence the Federation concentrated on its wholesaling function, negotiating with brewers and others for discounts etc., and this was to last longer than anticipated as the brewing side of the organisation encountered problems. The brewery at Alnwick, bought for £10,000, proved to be an expensive mistake. The provisional committee had readily agreed a deal when a member of the Smart family involved with the club movement suggested that the disused brewery, previously operated by GS Smart, would be an ideal purchase. The brewery had the attraction of having enjoyed a reputation for its water supply and was also close to the group of clubs in the coalfield which was foremost in pursuing the brewery venture.<sup>[33]</sup>

There appears, however, to have been ignorance amongst both members and officials as to the identity and conditions of the brewery. Contemporary newspaper reports of the scheme referred to capital being raised to buy "The Alnwick Brewery", a building which belonged to the much more prestigious Alnwick

Brewery Co.<sup>[34]</sup> To what extent this confusion contributed to the enthusiasm for the scheme will never be known. What is known is that as soon as someone with technical expertise saw the facilities at Smart's old brewery it was recognised as being beyond repair. The building had been used for munitions work during the war and was in such a dilapidated state that the brewer recruited by the Federation, A.E. Sewell who had been working at the old J.H. Graham's Newcastle brewery, inspected it and ruled out the possibility of ever brewing there. The Federation had renegotiated the price but were bound by contract to pay £7750.<sup>[35]</sup> Thus by 1920 the organisation was formed and a determination to enter the industry existed, but brewing had not yet commenced.

With regard to changes in the ownership structure of North East brewing the only absorption was that of the private Newcastle firm of Robert Newton. In 1920 Cameron's acquired the whole of its ordinary share capital and with it some 35 licensed houses. To finance the transaction Cameron's created £21,000 £5 non-cumulative income stocks which were initially issued at £40 per £100 stock and offered pro-rata to existing shareholders.<sup>[36]</sup> One firm lost to the industry was J.H. Graham. By 1918 the sale of the Middlesbrough properties had allowed £100,000 debenture stock to be paid off and a resolution to wind up the company was passed in 1920.<sup>[37]</sup> All other North East brewers continued to brew throughout the period, although there are some doubts as to whether the Blyth and Tyne Brewery was able to maintain output during the war.<sup>[38]</sup>

With the war over, some of the region's public companies set about modifying their capital structures. In 1919 the Newcastle Breweries divided its £10 ordinary shares in £1 shares and altered its articles of association to permit the capitalisation of undistributed profits. At that time the company's general reserve fund amounted to £300,000, some 1½ times its ordinary share capital. The directors thought it desirable to capitalise £200,000 of its reserve and distribute it to ordinary

shareholders in the form of one new £1 share for every existing £1 share. Also in 1919, Rowell's increased their capital to £200,000 by the creation of a further 5000 £10 ordinary shares, cancelling 2500 of its original 6% preference shares and creating 2500 7% cumulative second—preference shares, both of £10 each.<sup>[39]</sup>

### ***6.3.2 Technological and Scientific Development***

War naturally called a halt to innovation and technical development but some rationalisation of production was possible where firms operated on disparate sites. In 1916 Newcastle Breweries, for example, stopped the manufacture of aerated waters and beer—bottling at the High Brewery, South Shields and later disposed of some of the Low Lights property. In 1918 the company was also able to resolve a long—standing inconvenience with regard to malting. Since the 1884 move to the Tyne Brewery, Newcastle Breweries had been forced to maintain the original Barras maltings in Gateshead. At the end of the war Addison Potter & Sons approached the company with the offer of their Newcastle maltings. Agreement was reached such that Addison Potter took 2700 5% £10 preference shares and £23,000 4½% mortgage debentures in the Northern Corporation in exchange for the freehold of the Melbourne Street Maltings. Newcastle Breweries now had a large, purpose—built maltings and disposed of the Gateshead buildings for £2000 to the Northern Automobile Co.<sup>[40]</sup>

The war—time conditions ruled out improvements in production and the priority given to the manufacture of munitions meant that brewery engineers had been prevented from carrying out almost any brewery work.<sup>[41]</sup> For the brewing firms this meant the suspension of most development work planned and the inability to maintain plant as they would have wished. Some necessary work was done, however, at Rowell's when old staircases, wooden grist case and mashers were in danger of collapse. North Eastern Breweries decided, in 1915, to electrify the Wear

Brewery and install a system of elevators and conveyors to reduce their dependency on labour and counteract the effects felt by the withdrawal of many of their workers through enlistment in the army. Vital repairs were also carried out when breweries suffered war damage, as at Cameron's in 1915, but alterations thought necessary on the outbreak of war had to be postponed. Again, at Cameron's, in 1916, a shortage of labour and materials prevented work being done, and at Newcastle Breweries a partial rebuilding of the stable failed to obtain the sanction of the authorities. With new equipment unavailable, the Border Brewery advertised unsuccessfully for a second hand boiler and was forced to fall back on a number of welded repairs. That little was done during the war with regard to equipment in breweries is illustrated by the Newcastle Breweries' 'Plant & Machinery Account'. Here, the only addition from 1915–19 was a mere £931 in 1918.<sup>[42]</sup>

After the war the work of brewers centred on curing the wear and tear that had been neglected during the previous four years. The Border Brewery, for example, carried out essential repairs on roofs, malt kilns and the brewing copper.<sup>[43]</sup> For some larger concerns the end of the decade, with release from control of certain metals and other materials, was a time for planning the installation of new plant and the extension of facilities. At Newcastle Breweries in 1919 the head brewer had inaugurated a plan for a replacement racking system and for a new set of tanks to be constructed out of ferro-concrete. The company had also purchased the nearby St. Cuthbert's Grammar School for conversion into a bottling factory. At Rowell's the end of the war signalled a series of improvements in their brewery, including the introduction of electric light, the installation of electric motors to replace gas engines, repairs and renewals in the boiler house, the purchase of land previously leased as a brewery yard, and a number of visits by leading brewery architects and engineers, Bradford & Co., to plan extensions and updating. The directors also bought a new cask-washing machine after seeing it

being demonstrated at the 1919 Brewers' Exhibition.<sup>[44]</sup> But the war years had seen little in the way of technological development or improvement in the industry generally or amongst North East firms. As well as making it very difficult in practical terms for brewers, government regulation also reduced any incentive. Restricted output and excess demand meant beer of whatever quality could find a ready buyer. The brewers, therefore, felt no competitive pressure to update plant or improve products, but merely to operate existing plant as effectively as possible. For large brewers it was a problem of how best to utilise capacity in a period of decreased trade, that is, whether to decrease the number of brewings or the size of the brew.<sup>[45]</sup> Economies were still possible in some areas and it may be that war-time conditions concentrated the brewers' minds. At the Tyne Brewery, for example, an investigation of water consumption led to the adoption of methods which made significant savings.<sup>[46]</sup>

When it came to distribution the war caused particular problems. Brewers were called upon ~~the~~ to provide transport equipment and horses were also requisitioned. On the outbreak of war Vaux lost three motor lorries and thirty horses, whilst Cameron's had twelve horses, a petrol lorry and chassis commandeered.<sup>[47]</sup> The requisitioning of transport equipment, coupled with the rising price of petrol and the problems of obtaining a supply, added to brewers' difficulties. Orders for new equipment placed by Newcastle Breweries and Rowell's were cancelled when war broke out.<sup>[48]</sup> Brewers were therefore made increasingly aware of the merits of careful planning of distribution networks and considering transport fleets on strictly economic grounds.

It was not until after the Armistice that brewers could expect to improve their transport fleets when the Brewers' Exhibition once again began to exhibit what was previously unavailable; motor vehicles adapted especially for brewers. In

the North East, Rowell's ordered two Sentinal 5/6 ton steam wagons, and the Newcastle Breweries ordered a new petrol wagon and updated its transport fleet such that by 1920 they were advertising round trip deliveries from the brewery to the coast. In the same year the *Newcastle Daily Journal* reported that an unnamed brewer was considering utilising a novel method of distributing beer in tank cars similar to those used for oil.<sup>[49]</sup> If nothing else had transpired during 1914–20, brewers were now beginning to take the question of transport and distribution more seriously.

As with technological progress, scientific progress was halted by the war. In 1919 the *Brewing Trade Review* judged that the absorption of scientists by the demands of modern warfare meant that "chemical progress in brewing has been brought practically to a standstill – in fact in many cases the stagnation had meant worse than standstill – it has meant a retrogradation."<sup>[50]</sup> Eventually, the lessening of output restrictions and the re-emergence of a free market in raw materials once more put a premium on the services of the chemist and skilled brewer. The Institute of Brewing had been at the forefront of brewing education and during the period 1915–17, twenty seven individual members of the brewing staffs at twenty North East breweries were elected to diploma membership of the Institute. In 1919 the Institute took an important initiative in line with many other industries in the immediate post-war reconstruction atmosphere when it proposed reconstituting itself into a research body for the fermentation industries. The proposal met with strong support and when new rules were formulated the Newcastle Breweries were one of the first to affiliate. The Tyneside firm had close links with the scientific side of the industry and in 1919 donated funds to the Newcastle Chemical Industry Club to allow it to build up a library of brewing books.<sup>[51]</sup>

## 6.4 THE COMPETITIVE ENVIRONMENT

### 6.4.1 The Role of Trade Associations

In 1919 the *Brewing Trade Review* lamented that the "want of competition has influenced every phase of brewing".<sup>[52]</sup> Since 1914 brewers had been diverted from their normal competitive pre-occupations and concentrated more on combining together to deal with the vexed issues of the regulations and restrictions imposed by the various authorities. Trade matters were not only dominated by the introduction and working of government orders as they came on stream but were coloured by an acute awareness that a determination to make governmental control permanent could be high on the agenda.

In such circumstances the two representatives bodies in the North East, the Northumberland and Durham Brewers' Association and the Northern District Trade Defence Association, became more important and the value of their activities recognised, especially by non-members. The regional Brewers' Association recruited another dozen members in the opening years of the war and by 1918 could claim to have enrolled all the brewers in Northumberland and Durham. By 1920 the association had 36 full-time members, although its executive officers were still drawn from a handful of leading brewers.<sup>[53]</sup>

The Brewers' Association was particularly influential in determining the local response to the question of 'pooling'. In 1917 a number of arrangements were devised by brewers elsewhere in the country under which they concentrated brewing operations or supplied one another's houses in particular districts. In 1918 the Government set up a number of departmental advisory committees to consider possible arrangements amongst breweries that would lead to economies in coal, transport, manpower etc. The trade saw this as a move to introduce the pooling and concentration of interests, and a signal that the Government thought not enough progress had been made in this direction by voluntary schemes. The

attitude of the Durham and Northumberland Brewers' Association was that any scheme which eliminated overlapping of territories etc. was desirable but this was better done by mutual arrangements under the auspices of the association rather than by some government department.<sup>[54]</sup>

The association also took the view that in the situation that then existed, with the effective outputs of local breweries falling short of local requirements, a scheme should be formulated that would increase local production to the fullest extent by arrangement with those portions of the trade currently supplied from Scotland. A sub-committee was set up to draw up a regional scheme and to discuss such problems as adjustment of profits between brewers participating. However, after talks held nationally between the Brewers' Society and the Government, the plans for a centralised pooling scheme to be imposed by the Government was abandoned. This was done on the understanding that the industry itself would take steps to significantly reduce its consumption of fuel. The Institute of Brewing appointed an expert committee to recommend to the Brewers' Society how economies could be achieved. A memorandum was issued advising brewers on energy saving but by 1919 the campaign by the Government for *fuel and other* economies within brewing was suspended.<sup>[55]</sup>

The Institute of Brewing had become more overtly political as changes were threatened which could alter the future shape of the industry. In 1916, as it became obvious that the Government was considering some form of control, the institute formed a 'Protection Committee'. This body was charged with the responsibility of safeguarding the interests of technical and consulting staffs within brewing and allied industries, and after discussions with two other interested bodies (the Brewers' Society and the Operative Brewers' Guild), it was agreed that the institute would handle all matters involving the interests of operative brewers. The institute also represented the claims of technical staff in evidence to the Home Office



Committee on State Purchase.<sup>[56]</sup>

With the end of the war the Trade Defence Association revived its political campaigning, even though the Representation of the Peoples Act of 1918 forced it to review its tactics.<sup>[57]</sup> When the 1918 General Election was called the local Trade Defence Association's request for volunteers to work in the trade interest was well-received. The established method of submitting questionnaires to candidates and then advising electors in each division to support the more sympathetic was again adopted. However, in response to the new act the literature circulated to licensees and information given to the public was of a more 'educational nature', and efforts were also made to encourage women connected with the trade to canvass friends, customers etc. In the area covered by the Northern District Trade Defence Association, 17 favourable and 11 unfavourable members were returned. Only two members of the previous Parliament were regarded as sympathetic to the trade and the association was able to claim some credit for a remarkable turnabout.<sup>[58]</sup>

#### **6.4.2 Beer Prices**

A tripling of beer prices in the period 1914–20 not only contributed to the brewers' profitability but also towards a bigger role for regional trade associations in coordinating rises and handling the brewers' response to the consequent public disquiet.

There had been an increase in beer prices late in 1914 and by 1916 further rises took place across the country in the price of bottled beers, due, it was said, to the serious increase in the cost of brewing materials and production of beers, the difficulties of distributing bottle beers and the scarcity of bottles. Newcastle Breweries was one of the firms which raised the price of bottled beers but breweries also took the chance in 1916 to upwardly revise their whole range of charges. The Border Brewery, for example, raised its free trade prices by 20% and made smaller

additions for tied houses, although these were later modified in the face of keen competition from Scottish brewers. Rowell's raised the price of beer to their tenants by 4s per barrel and by 5s for free trade customers.<sup>[59]</sup> By 1917, when output restrictions were beginning to bite, frequent meetings of the local Brewers' Association and Trade Defence Association were being held to agree joint action on prices of beers, spirits and wines in all managed and tied houses. The new price of a pint of beer was 7d compared to 4d in early 1916. The public reacted strongly to these further rises and there were reports in the local press of a boycott by customers and talk of a slump in trade.<sup>[60]</sup> Local brewers were forced to move quickly in attempts to assure both the press and public that they were not taking undue advantage, and when the additional barrelage was conceded by the authorities the opportunity arose for brewers to make some concession to public opinion. It was acknowledged that the granting of extra production was "entirely due to protests of the working class" and it was decided therefore that "some reduction should be made and the price fixed at 6d per pint".<sup>[61]</sup> Rowell's, for instance, followed the local association's recommendation by offering tenants a 10% rebate on the price of low gravity beers and gave their managing director the discretion to adjust wholesale prices where 'special terms' were thought appropriate.<sup>[62]</sup>

Frequent meetings became necessary to draw up schedules of prices as variations in output, gravities and beer duties took place. Not only were the trade associations called upon <sup>to</sup> ~~the~~ formulate agreements on the intra-trade and retail prices, but they were also obliged to counteract criticism from the public by the publication of posters and leaflets explaining the rise in prices. Spokesmen from local brewers also appeared in the press showing an eagerness to discuss the matter. The managing director of one Newcastle firm provided figures to support a case apparently based on two general themes, that is, an increase in the cost of most of

the important inputs into the production and distribution processes, and a much lower output over which to spread fixed charges. In the first category were such items as raw materials which had risen 116%, wages 50%, casks 100%, bottles 133% and petrol 233%. Of the standing charges, the compulsory reduction in output meant the annual rates and taxes averaged out at 2s 6d per barrel as against 4½d in 1914–15. Insurance, of which an increased premium to cover aircraft damage had also to be absorbed, worked out at 1s 6d per barrel as against 2d. Interest payments on mortgages and debentures had gone from 1s 7d per barrel to 7s 4d. Adding the cost of raw materials per barrel to the average standing charges produced, said the brewer, an increased cost of 32s 7d per barrel since the first year of the war. When consideration was given to wages, transport and other costs, the brewer was able, on the basis of his own figures, to provide a plausible explanation for the 40s a barrel rise in wholesale price.<sup>[63]</sup>

Equally, it was possible to exonerate the retailer from any charge of profiteering. The case was made for a publican who sold 200 barrels per annum at the outbreak of war but by 1917 was entitled to only 50. In 1914, with a wholesale price of 40s per barrel and retail price of 3d per pint, his annual gross profit was £320. In 1916 when his supply dropped to 150 barrel at 60s each, he sold it at 4d per pint and had a gross profit of £270. With the 1917 changes he would be dealing with 50 barrels bought for 80s each and beer retailing at 6d per pint, which proved perhaps rather too neatly that the licensed victualler's gross profit had halved during the period under review.<sup>[64]</sup> Nonetheless, it does point to the difficulties caused by fixed overheads. Such newspaper interviews may or may not have assuaged public fears but they do point to the growing ability amongst those in the trade to practise public relations.

### 6.4.3 *Products and Markets*

In the conditions under which they were forced to operate brewers found it impossible to maintain the range and quality of their staple product; draught beer. There was a good deal of dissatisfaction expressed by consumers and evidence of switching to bottled beers and spirits. Firms worked to exploit these growing markets and also to extend their field of operations into neighbouring areas and alternative outlets. Brewers also began to take more seriously the earning potential of by-products.

In 1916 the Central Control Board, known to be in favour of reducing gravities, appointed a committee to consider the steps the Board ought to take to give further encouragement to the production of lighter beers. By 1917 brewers were producing a 5d per pint, reduced-gravity beer under conditions imposed upon them by the Government. They were effectively attempting to brew a foreign, lager type beer using a distinctly English process which did not lend itself to the manufacture of a satisfactory product. As the first barrels of this beer reached the retailers the brewers had misgivings and it was felt that the product would only be consumed in the absence of other beers.<sup>[65]</sup> In Middlesbrough, the Chief Constable called for an increased supply of liquor to those working in the town's heavy industry, but "not the liquid which is known as Government ale. The men complain that it is very thin, and in this respect no doubt their views are well-founded".<sup>[66]</sup> There was clearly some resistance to weaker beers.

What was happening was that circumstances were combining to switch brewers' sales of beer to spirits. Rising prices, the reduced strength of beer and shorter opening hours led to a substitution of spirits, particularly whisky, for draught ales. A Newcastle brewer reported in 1915 that "the trade in spirits has spread enormously during the past few months, and the beer trade has dropped quite a third".<sup>[67]</sup> Also in 1915 the chairman of Rowell's thought that the result of

increased beer duties and the curtailment of evening hours was that "the consumption of spirits was generously encouraged".<sup>[68]</sup> In the same year the Durham and North Yorkshire Public House Trust reported a 19% decline in draught beer sales, and a rise of 23% in the wine and spirits sold for consumption off the premises. By 1918 the trade press was arguing that in colder weather consumers now preferred a small drink of spirits to a large quantity of weaker beer. The consumption of beer of standard gravity was a third of pre-war level but the consumption of spirits at proof strength was 40% up on its pre-war level. The growing business prompted Rowell's to negotiate with a view to purchasing the share capital of a local wine and spirit company in order to obtain their extensive stocks. After detailed study of the firm's accounts and stock holdings, Rowell's established that the stock value was equivalent to £8 per share for the 5237 ordinary shares of £10 issued. Rowell's offer of £7.10s per share was, however, unsuccessful: the wine and spirit company was looking for something in the region of £65,000 for the shares.<sup>[69]</sup>

Brewers were also becoming aware of the commercial value of by-products, and such sales were thought to be one of the factors contributing to their profitability. The Board of Agriculture was particularly keen that those breweries that previously discarded surplus yeast should dry it for stockfeeding and farmers were encouraged to approach the smaller brewers to enquire of the possibility of using their surplus yeast and other waste. In a similar move the Ministry of Food called upon brewers in milk-producing districts to give dairy farmers preference when disposing of by-products. Meanwhile, the Royal Commission on Meat Supplies asked brewing consultants to investigate the use of brewers' yeast for baking purposes. In other instances, chemists advised brewers on the correct treatment of spent hops to use as cattle feed.<sup>[70]</sup>

#### **6.4.4 *Materials and Labour***

The attitude of government policy-makers during the first half of the war was to avoid any direct controls on the use or importation of brewing materials. It was felt that the reduced output of beer would itself ensure that imported materials would fall, and there was therefore no direct government intervention, leaving brewers free to purchase materials from any source available. By the end of 1916, however, brewers were buying wheat to supplement the shortage of barley and the Government felt compelled to make an order which effectively prevented the use of wheat in brewing. Then, in 1917, the hop crop was taken over by the Government. By this stage there was no longer anything approaching a free market in materials.

Uncertainty about malt supplies proved a problem for many brewers. At Rowell's, in June 1917, following restrictions placed on the manufacture of malt, the brewers held only sufficient stocks to brew until the following November. Arrangements were set in train by the Ministry of Food to pool malt stocks such that output could be more equitably adjusted between brewers, but the issue of permits allowing transfers of malt between firms was not executed sufficiently well in advance to reduce uncertainty. When Rowell's was contemplating its Autumn production in the Summer of 1917 it was in the knowledge that existing transfer permits expired in September of that year and beyond that the position had yet to be resolved. Even after the war Rowell's was making arrangements with brewers in Yorkshire to supply them with additional malt.<sup>[71]</sup>

In terms of labour, the initial impact of war was to deprive the industry of experienced staff. Brewers, along with other industrialists, were encouraged to allow those eligible to join up. Figures are difficult to come by but Vaizey suggests that up to half the men in many breweries either volunteered or were conscripted. At the end of 1915 the chairman of Newcastle Breweries put the staff lost for military and other war industries at 110, whilst the local Trade Defence Association

estimated that 800 men from the trade in the 'Northern District' had enlisted. It is also known that Cameron's had 24 employees on military service within the first few weeks of the war and that the managing director of Rowell's reported in May 1915 that :

At the date of the declaration of war, our staff consisted of 82 men, 36 over military age of 38. Of the balance of 46, 20 enlisted, and 3 were employed making munitions. This, without taking account of the physically unfit (and some have been rejected), gives a percentage of 50%.<sup>[72]</sup>

By the end of 1916 198 employees of the North Eastern Breweries had joined up. Not only members of the general workforce were away on military duty but some of the important principals in firms. A number, of course, were killed and although full records are not available, it is known that 23 employees of Newcastle Breweries were lost in action.<sup>[73]</sup>

The anxiety in the industry caused by the removal of staff to war duties was not confined to the lack of experience of the new employees but arose because not all work in brewing firms could be done by the females and juveniles who formed most of the replacements. This was particularly true of those operations involved in the malting of barley, where most of the work was considered too heavy.<sup>[74]</sup>

For those who spent the war working in the industry relations with employers appear to have been good. In 1914 the *Brewery Trade Review* had warned brewers about the activities of the recently formed National Union of Brewery Workers which they felt should be discouraged as relations between all engaged in the industry would "not be advanced by the extension of trade unionism to brewing".<sup>[75]</sup> During the war brewers tended to grant general increments in the form of 'war bonuses' rather than specific adjustments to pay scales of particular employees through negotiation. Some unions did, however, continue to press for

wage rises for certain workers, as happened at Rowell's in 1916. Here, the Amalgamated Union of Labour applied for a 4s per week advance on behalf of women employed in their bottling factory. The directors refused to entertain this claim but granted all brewery-based manual wage-earners a war bonus of 1s per week. The firm's draymen then demanded an advance of 4s per week, and when their representatives were interviewed by board members they intimated that they had hoped for some part of the claim and explained that those men doing similar work at Newcastle Breweries were receiving 1s per week more than themselves. The response of the management was to agree to speak to the directors of Newcastle Breweries and give an undertaking to establish the same pay and conditions at Rowell's. In the event, the Rowell's draymen rejected what they felt to be the poorer conditions enjoyed by the Newcastle Breweries employees and settled instead for a war bonus equivalent to that awarded to brewery staff.<sup>[76]</sup>

The management of Rowell's clearly felt themselves to be in a strong position when faced with pay claims and were able to take an uncompromising stance when the girls in the bottling department returned with another application for a 4s per week increase, backed up by threats to resign. The manager of the bottling factory advised the board thus :

I suggest we pay them the minimum wage viz— 12s per week + 3s war bonus, the notice on behalf of the employees be accepted and the applicants to fill the vacancies be non—union hands. These vacancies can be partly filled by present staff who are not keen on the union and by the many women who are frequently soliciting for work.<sup>[77]</sup>

The firm took a more conciliatory line, arguing that they couldn't accede to the request but pointed out that other brewers paid no more than Rowell's and some important local bottlers paid only 12 and 14s respectively. Rowell's did, however, continue to increase wages all round via war bonuses during 1917. Only in one



instance, in 1918 with the important skilled occupation of coopering, did Rowell's make a significant concession. An application for a 9s per week advance in wage rates was met with acceptable offer of 4s 6d, bringing the coopers' wages up from a prewar rate of £1.16.0d to £3.7.6d.<sup>[78]</sup>

By the end of the war most brewery workers in the North East seem to have been well-organised by the National Union of General Workers, who prepared a strong claim for an improvement in pay and conditions.<sup>[79]</sup> Negotiations between employers and employees were conducted through the Northumberland and Durham Brewers' Association and agreement was reached on a 48 hour week and pay rises that put able-bodied males, for example, on a minimum of 58s per week, (34s above that paid in 1914). Meetings between the union and the association continued and the 1919 agreement was superseded in early 1920 when the minimum was raised to 63s for men and 33s for women. Attempts by the union to fix wages for those in the retail trade failed when the association ruled it was not a matter for them since so many of the outlets were controlled by individuals and firms which did not belong to the association. Further negotiations with the brewery workers' unions in the closing months of 1920 raised scales again, leaving inside able-bodied men on 70s and transport workers on 71s per week.<sup>[80]</sup>

#### **6.4.5 *The Tied Trade***

The fierce, turn of the century competition for retail outlets, which had abated after 1913, petered out completely during the years 1914–20. Given the restrictions on output and the difficulty of supplying existing outlets, it was not surprising that the piecemeal purchase of additional houses by brewers was almost non-existent.

In 1915 the annual meeting of the Northern Corporation was told that nothing was being done in the property market. Owners, it was said, were unwilling

to recognise the fall which had taken place in the value of licensed properties and purchasers were unwilling to extend their interests until the disturbance caused by war and legislation had settled down. Nonetheless, the two largest tied-house owners in the region made acquisitions during the war. The North East Breweries bought three properties in 1915, spent a little over £25,000 on new premises in 1917 and paid out a further £56,000 in the following year. Newcastle Breweries also picked up a few licensed premises between 1916 and 1918. The major priority for all brewers was, however, the maintenance and repair of existing estates, at least as far as circumstances allowed. Cameron's was also concerned about the fall in public house values since the Finance Act of 1910 and continued throughout the war to write-off £20,000 per annum to reflect the fall, in addition to setting aside reserves to meet future outlays on licensed property.<sup>[81]</sup>

Once the war had drawn to a close there were signs that brewing companies were again willing to extend their tied estates. Newcastle Breweries bought four houses in 1919 and Warwick's of Darlington also bought property, whilst Geo. Younger went to auction to buy the freeholds on houses already leased by them.<sup>[82]</sup> The minute books of Rowell's show a considerable post-war step-up in involvement in the licensed property market, although it only resulted in a handful of purchases. In the years 1919 and 1920 fifteen individual houses (offered to the company in locations throughout the North East) were turned down, although in half the cases inspections were made of the properties and particulars of takings and prices were examined. Serious consideration was also given to purchasing the estates of local brewers or wine merchants such as J.H. Graham, MacFadyan & Co. and J.A. Anderson, which came onto the market during the period. None, however, were purchased. Rowell's was however successful at auction on at least three occasions.<sup>[83]</sup>

The only significant wholesale acquisition of licensed property during the period, apart from those houses acquired by Cameron's in its takeover of Robert Newton, was the purchase by Newcastle Breweries of the properties of Matthew Wood & Son Ltd. In 1919 the directors of Newcastle Breweries authorised the purchase from Wood, the former South Shields brewer, of all their licensed premises and some other properties for £75,000. Wood & Son then reduced their capital from £57,000 to £10,500 by paying off £15,000 preference capital and returning 15s per share to the holders of 42,000 £1 ordinary shares.<sup>[84]</sup>

The shortage of labour and increased cost of building material had dissuaded even the better placed companies like North Eastern Breweries from carrying out any substantial alterations to their tied houses, but a number, like Rowell's for example, carried out minor improvements such as the installation of electricity. Nor was the building of new houses a possibility immediately after the war. Even if the resources, both physical and financial, had been available, the attitude of licensing magistrates was an impediment. In what may have been the only attempt to build a new public house during the period, the Durham and North Yorkshire Public Houses Trust failed in their licence application for the premises they intended to construct on a site with a growing population at Blackhall.<sup>[85]</sup>

With the erection of no new houses and property purchases by brewers being isolated examples rather than the rule, the brewers' degree of control over licensed property remained static over the period 1914–20. An important pre-war consideration with regard to tied estates had been the operation of the Compensation Act, but during the war the trade press commented a number of times on the uneventful nature of brewster sessions compared with earlier years. This general comment would seem to apply in Durham City, for example, where only five houses were referred for compensation in the period 1914–18. However, in licensing districts such as Newcastle, which possessed such a high number of licences

when the Compensation Act came into force, the process of systematic licence reduction continued. By the end of the war a total of 118 licences had been taken away since 1905 but this still left 427 on—licences and 169 off—licences. In 1918 magistrates considered the area around the Close, between the river and railway station, where twelve houses served a population of about 1000. The Chief Constable thought four or five houses were sufficient and the magistrates duly reported eight for compensation. The next year the bench turned its attention to Scotswood Road and eight of the thirty premises were refused renewal.<sup>[86]</sup> In other parts of the North East the pace of licence reduction slowed down but, in certain divisions in particular years, some brewers lost a number of houses. For instance, North Eastern Breweries lost seven licences in 1915; Border Breweries lost three licences in Berwick in 1917; Newcastle Breweries lost 3 in Tynemouth in 1919; and Jas. Deuchar, Fenwick's and Vaux all lost licences on public houses they owned in Sunderland in 1917.<sup>[87]</sup>

## 6.5 *PERFORMANCE*

### 6.5.1 *The Profitability of the Industry*

Comprehensive studies of the industry's profitability are not available, but from a series of responses to Parliamentary Questions the total estimated profits of all brewing concerns can be summarised as in Table 55. These figures suggest that brewery profits trebled over the period. However, a survey of the performance of 16 leading brewery companies between 1914 and 1919 reported an increase in net profits over the period of 100%.<sup>[88]</sup> At varying points during the period the financial press scrutinised the industry, with the *Economist*, for example, carrying out analyses of annual returns from time to time, the results of which have been gathered together in Table 56.

*Table 55 : Brewery Profits 1913 – 1919*

| Year    | £m    |
|---------|-------|
| 1913–14 | 9.97  |
| 1914–15 | 11.68 |
| 1915–16 | 13.18 |
| 1916–17 | 14.22 |
| 1917–18 | 24.39 |
| 1918–19 | 30.19 |

Source : *Brewing Trade Review* 1.9.1924.

*Table 56 : Aggregate Annual Increase in Brewers' Profits 1914–1919*

| Period Covered                | Number of Companies Covered | Increase in Profits over previous year (%) |
|-------------------------------|-----------------------------|--|
| Year ending 30.6.14           | 91                          | 4.4  |
| Year ending 30.6.15           | 81                          | 8.8  |
| Year ending 30.6.16           | 77                          | 5.6  |
| Year ending 30.6.18           | 114                         | 26.6                                       |
| Reports published during 1918 | 107                         | 22.7                                       |
| Year ending 30.6.19           | 113                         | 17.2                                       |

Source : *Economist* 26.5.1917, 10.10.1918, 1.3.1919 & 30.8.1919.

Although a different number of firms were covered by each survey the numbers are such that the results can be regarded as generally indicative of the performance of the sector as a whole. Whilst the growth in profit in Table 55 is of much greater

magnitude than that revealed by Table 56, this apparent discrepancy should not be allowed to obscure one fundamental point: even when allowing for the usual caveats about the decline in the purchasing power of the pound and the much heavier tax rates which had to be offset against these pre-tax sums, the overwhelming conclusion remains that during the period 1914–20, despite all the impositions by the Government, brewery companies enjoyed prosperous times. It is also the case that even though doubts must surround the accuracy of the parliamentary estimates and questions must be asked about the comparability of the numbers of firms used by the *Economist* and the degree to which they are typical of the entire industry rather than the public companies operating therein, there is nevertheless some concurrence on the pattern of rising profits during the period. Increased profits at the outbreak of war were followed by a check on the rate of growth until the end of 1917 when there began again an appreciable acceleration in profits.

What the aggregate summaries hide, of course, is any detail of the performance of particular firms or the distribution of results around the overall average. Whilst the industry, be it national or regional, undoubtedly fared well overall, it is inevitable that some individual brewers did better than others. The verdict of the *Economist* was that those with popular brand names and numerous tied houses did better than the smaller companies which, for example, found it less easy to raise their prices.<sup>[89]</sup> This argument is borne out to some extent in the North East with both Newcastle Breweries and the North Eastern Breweries frequently cited by commentators as companies doing well in a national context.<sup>[90]</sup>

### **6.5.2 Performance of North East Firms**

Following the general pattern for the industry, North Eastern Breweries enjoyed their most profitable year to date in 1917 and went on to exhibit a steady growth in earnings.<sup>[91]</sup> The Newcastle Breweries' net profit performance, however,

showed a slight lag (Table 57). Their net profits growth rate over the period 1914–19 was 216%, matching that for the industry (205%) given by Table 55. But Table 57 reveals that the growth rate, which represented a 31% leap in 1916, then slackened off to around 10% per year until 1919 when it increased dramatically. For Rowell's (Table 57) net profits went up by 183% over the same period but this overall increase, not dissimilar to Newcastle Breweries and the national performance, displayed a rather different pattern. After growth rates of less than 5% and 9% in 1915 and 1916, net profits then rose by approximately 30% in each of the next two years and by 46% in 1919. It has to be said that the dramatic improvement in brewers' profit performance during the war and immediately afterwards was made to look all the more flattering by their record in the decade before 1914. Nonetheless, there is no doubt that firms proved themselves adept at exploiting the opportunities that presented themselves and emerged from the war in a healthier state than that in which they entered it. Despite the constant complaints of rises in raw material costs, high duties, output restrictions and the loss of skilled personnel, higher profitability was the norm.

*Table 57: Profits of Newcastle Breweries Ltd and John Rowell & Sons Ltd: 1914–19*

| Year | Newcastle Breweries Ltd |                 | John Rowell & Son Ltd |                 |
|------|-------------------------|-----------------|-----------------------|-----------------|
|      | Gross Profit<br>£       | Net Profit<br>£ | Trading Profit<br>£   | Net Profit<br>£ |
| 1914 | 150,065                 | 56,067          | 36,543                | 12,677          |
| 1915 | 160,621                 | 61,964          | 37,455                | 13,240          |
| 1916 | 181,913                 | 81,372          | 45,057                | 14,413          |
| 1917 | 183,789                 | 91,152          | 82,745                | 19,049          |
| 1918 | 186,789                 | 100,328         | 86,692                | 24,607          |
| 1919 | 272,482                 | 177,044         | 102,325               | 35,862          |

**Source :** Newcastle Breweries Ltd Annual Reports (1914–19, Tyne and Wear Archives Service (TWAS) 1463/125–172; John Rowell & Son Ltd Annual Reports 1914–19 in Directors' Minute Books 3 & 4, TWAS 2319/2/1–2..

How higher profits came about, declared the *Economist* in 1919, "may perhaps puzzle the economic historians of tomorrow".<sup>[92]</sup> Its own explanation lay in the obvious factor of increased beer prices and also in the greater revenues secured from the sale of by-products, with "a good deal due to better organisation consequent on Government regulation".<sup>[93]</sup> Part of the explanation may also lie in the increased prosperity experienced by industrial workers in those areas where there was an abundance of war work. The trade journals, always sensitive to accusations of profiteering, argued that inflation meant that the real increases were far from excessive.<sup>[94]</sup> They were also at pains to point out that only a proportion of profit was the result of brewing and beer sales, much of it coming from wine and spirit wholesaling, rent receipts and earnings on investments.



The individual brewers themselves offered little if any comment on the causes of their new-found prosperity other than the occasional reference to the state of trade in the locality. For instance, in 1915 the chairman of Newcastle Breweries stated that their larger profits were "no doubt mainly due to the war which had furnished a large amount of employment in trades mostly carried on in the district".<sup>[95]</sup> Although never acknowledged by the brewers themselves, the substantial price rises had a real impact, with companies' abilities to increase or at least maintain gross profit levels on smaller turnovers as testimony to that. No brewer was immune from the national decline in sales, although some presumably coped better than others. For example, at the end of 1914 North Eastern Breweries output was more than 10% down on the corresponding period of 1913 and in some weeks was cut by half. In the first year of the war Rowell's reported a decline in trade slightly less than the national figure of 25% and at the end of 1915 Cameron's local trade and that with its tied houses was down by the same margin. But weaker beer at higher prices compensated for the potential fall in earnings. At Rowell's, for instance, an annual decline in barrelage of 21% was accompanied by an increased turnover from £26,202 to £33,326, much of it explained by the additional beer duty.<sup>[96]</sup>

Table 57 throws up an interesting apparent anomaly in the relative growth rates of gross and net profits between 1914 and 1919. For Rowell's the increase in both is about 180% but for Newcastle Breweries the gross profit increase is less than half of the net profit rise. Why Newcastle Breweries net profits should grow at a much faster rate than its gross profits may be partly explained by different accounting practices to Rowell's but it is also a reflection of war-time conditions and the asset strength of the company. With no significant purchases of licensed property or plant for most of the period, depreciation stood at the same figure in 1919 as it did in 1914. Similarly, the amount spent on repairs and alterations to

property showed no appreciable increase until 1919. Compensation fund charges and licence duties, which in 1914 had been quite large, had dwindled to nothing by 1918. As well as this list of costs which failed to keep pace with gross profit changes, the company was able to benefit from the income earned on much larger levels of investments and, with its extensive tied estate and other properties, continued to derive substantial incomes from rents etc.

### ***6.5.3 Appropriations of Profit***

As brewers made even greater profits, shareholders enjoyed higher dividends. One calculation put the average dividend on the ordinary capital of over a hundred brewery companies at 7.7% in 1914 and 19.4% by 1919.<sup>[97]</sup> Table 58 shows the dividend records of some North East brewers during the period 1914–1920. Newcastle Breweries was distributing £72,000 in dividends in 1919 compared with £28,000 in 1914. Although this increase was partly due to the doubling of the number of ordinary shares in 1919, the actual increase in ordinary dividend paid out over the period had multiplied by a factor of 3.75. This turnaround in fortunes of some North East firms can be seen in the case of Robt. Deuchar, which began declaring large dividends in 1917, their first since 1907.<sup>[98]</sup> Like the other Deuchar company, all ordinary shares were held privately, so that sizable distributions made toward the end of the period represented significant profit-taking by the original proprietors.

Not all the region's brewers were in a position to distribute profits. The Border Brewery Co. had not declared a dividend since 1904 and the seriousness of its financial position was highlighted by the fact that by 1920 it was still sixteen years in arrears with preference dividends. One firm that did recover by the very end of the period was Duncan & Dalgleish, which met all its commitments towards preference shareholders and was about to declare a dividend on ordinary share

capital for the first time since 1905.<sup>[99]</sup>

*Table 58 : Ordinary Dividends (including bonuses) of  
Some North East Brewing Companies 1914–20*

|                            | 1914<br>% | 1915<br>% | 1916<br>% | 1917<br>% | 1918<br>% | 1919<br>% | 1920<br>% |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Cameron's                  | 16        | 18        | 18        | 18        | 18        | 22        | 22        |
| Jas. Deuchar               | 10        | 12        | 12        | 12        | 20        | 20        | 25        |
| Robt. Deuchar              | 0         | 0         | 0         | 30        | 30        | 50        | 50        |
| R. Fenwick                 | 5         | 5         | 5         | 10        | 10        | 10        | 10        |
| Newcastle<br>Breweries     | 8         | 10        | 10        | 15        | 15        | 15        | 12        |
| North Eastern<br>Breweries | 12        | 12        | 12        | 12        | 15        | 17        | 12        |
| W.B. Reid                  | 10        | 9         | 10        | 10        | 10        | 15        | 12        |
| J. Rowell                  | 6         | 6         | 7         | 10        | 15        | 15        | 10        |
| Border Brewery             | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

Source : *Stock Exchange Official Intelligence* 1914–20.

Burgeoning profits not only allowed the leading companies to pay higher dividends but also permitted them to transfer more to reserves and increase the carry forward of unappropriated profits.<sup>[100]</sup> The Newcastle Breweries' 'general reserve' account had risen from £186,532 in 1914 to £300,000 by the end of 1918. Other companies had built up considerable reserves by the end of the war with Cameron's holding a general reserve of £450,000 and North Eastern Breweries with one of over £225,000. Sizeable reserves had also been built up by W.B. Reid, Jas. Deuchar and Rowell's. Robt. Deuchar's reserve fund was £75,000 but in addition had investments,

representing the value of Simson & McPherson's ordinary share capital held, of £208,000.<sup>[101]</sup> The way in which the war years enabled brewery companies to strengthen their balance sheets can be seen with reference to Newcastle Breweries (Table 59). The company made no substantial purchases of property until the Addison Potter maltings in 1918, and with the depreciation policy continuing during the war the net value of property held by the company in 1919 did not differ significantly from the amount held in 1914. It was in stocks and the intangible asset of investments that big rises are seen. Newcastle Breweries' investments in allied companies were written down by 20%, but it was the use of the company's new found prosperity to buy only financial assets (most particularly War Loan Stock) which explains the quadrupling of total investments. The doubling of stock values in 1919 was due to the company's policy, pursued less successfully during the war, of the laying down of the largest possible stocks of spirits and building up malt and hop stocks.<sup>[102]</sup>

*Table 59 : Extracts from Newcastle Breweries'  
Balance Sheets 1914 – 1919*

|                                     | 31.10.14 | 31.10.15 | 31.10.16 | 31.10.17 | 31.10.18 | 31.10.19 |
|-------------------------------------|----------|----------|----------|----------|----------|----------|
|                                     | £        | £        | £        | £        | £        | £        |
| Total Investments                   | 94575    | 99808    | 133032   | 246485   | 385442   | 369098   |
| Net Value of Freehold etc. Property | 1033432  | 1030862  | 1042107  | 1039983  | 1073428  | 1157731  |
| Stocks at Valuation                 | 108961   | 132872   | 173287   | 187383   | 183624   | 387924   |

Source : Newcastle Breweries Annual Reports 1914–1919, Tyne and Wear Archives Service 1463/125–172.

## 6.6 SUMMARY

By 1920 the brewery firms operating in England and Wales were defined by a government committee as follows :

many concerns are private companies. There is a great variation between one concern and another. Some brewers stand on very valuable sites; most of them are on sites not more valuable than any part of the surrounding area, and there are many intermediate cases ... Some have many tied houses and some have few. Neighbourhoods also differ, and their differences affect brewery concerns in various ways. Where population is dense and the tied houses are near at hand, the distribution of beer is cheap, quick and simple. Where the population is sparse and the tied houses are scattered, the cost of the distribution becomes a serious charge ... One district may be prosperous and improving, another stationary, or on the decline. Town differs from country, and one town from another town. Some places have a special water supply. Independently of tied houses, some concerned have a large family trade ... Trade marks and trade names and a long-established reputation all possess their own peculiar features of profit and performance.<sup>[103]</sup>

This description of the industry nationally could equally apply to the North East. The years 1914–20 were a period of co-existence in the region's industry of brewers with contrasting characteristics. Smaller, private firms operated alongside the larger public companies, and even within some public companies significant shareholdings remained in the private hands of the original proprietors. The big brewers occupied extensive facilities in Newcastle and towns such as Gateshead, Sunderland and West Hartlepool, but at the same time sizeable firms operated from smaller centres such as Castle Eden. Whilst the larger firms had updated and rationalised production facilities as much as the circumstances of the period permitted, a number of lesser brewers continued to use facilities which but for war-time conditions would otherwise have been considered obsolete. A general inactivity in the licensed property market had retained the pattern of tied house

ownership established by 1914. War-time requisitioning had depleted transport fleets but offered those with densely and closely situated tied estates the opportunity to economise on delivery. However, transport difficulties and reduced output did act as a brake on expansion by ambitious firms into trading further afield. Moreover, normal competitive instincts gave way to the exigencies of wartime, profitability rose, and cooperation between firms was stimulated by government intervention.

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## *CHAPTER 7: THE STRUCTURE OF THE TRADE*

### *7.1 INTRODUCTION*

The fact that by 1921 brewers large and small, modernised and unmodernised, operated side by side was a result of special circumstances. Normal competitive instincts had given way to the exigencies of war-time, profitability had risen and cooperation between firms had been stimulated by government intervention. Such circumstances however, could only be temporary: by 1921 it was clear that some brewers were in a better position than others to take advantage of the return of a proper competitive environment and that some, whose lives were perhaps artificially prolonged by war-time conditions, would have difficulty surviving.

### *7.2 THE ORGANISATION OF PRODUCTION*

#### *7.2.1 Contraction in the Trade*

Following the end of the war and the relaxation of restrictions, UK beer output at first rose dramatically from its level of 13,816 thousand standard barrels in 1918, declined sharply in the slump of 1921–23, and then settled on a plateau for the remainder of the 1920s (Table 60). There was a drop in standard barrelage of 22% between 1920 and 1930. After 1930 the depressed economic environment caused a sudden fall in standard output such that by 1933 it was back to the immediate post-war level, to be followed by a gradual recovery until the 1930 level was being approached again by 1939. Standard barrelage did however decline by 6% during the decade. Thus it was that the 1939 level of production of standard barrels was down approximately 49% on its 1914 level. The decline in bulk production was not as marked, only 34%, because of the fall in the average gravity of beer over the period.



*Table 60 : UK Beer Output 1920–1939 ('000 Barrels)*

| Year | Standard | Bulk   | Year | Standard | Bulk   |
|------|----------|--------|------|----------|--------|
| 1920 | 25,115   | 35,048 | 1930 | 19,551   | 25,062 |
| 1921 | 26,730   | 34,505 | 1931 | 18,488   | 23,900 |
| 1922 | 23,514   | 30,719 | 1932 | 15,514   | 20,791 |
| 1923 | 18,564   | 23,949 | 1933 | 12,899   | 17,950 |
| 1924 | 19,890   | 25,425 | 1934 | 15,043   | 20,182 |
| 1925 | 20,954   | 26,827 | 1935 | 15,578   | 20,864 |
| 1926 | 21,034   | 26,839 | 1936 | 16,387   | 21,970 |
| 1927 | 19,745   | 25,168 | 1937 | 16,985   | 22,724 |
| 1928 | 19,963   | 25,435 | 1938 | 18,056   | 24,206 |
| 1929 | 19,253   | 24,608 | 1939 | 18,364   | 24,675 |

Source : Baxter, J. *The Organisation of the Brewing Industry* (Unpub. Ph.D Thesis, London University, 1945) Table 30, p.86.

Falling consumption was the signal to brewers that leisure patterns were changing and responses were necessary. Some smaller brewers were to surrender to the new market conditions and close down. The leading North East firms, however, sought to protect output levels and retain sales by merger and acquisition, and almost all surviving firms were to restructure capital and modernise facilities.

### **7.2.2 Concentration of Ownership**

Against the background of declining demand which followed the short-lived postwar boom, there was a more than proportionate 70% fall in the number of breweries operating.<sup>[1]</sup> Many brewers left the industry but the most significant influence on concentration was a wave of mergers and takeovers, followed by subsequent rationalisation as firms sought to recover levels of production which would secure scale economies. The disappearance of smaller firms and the amalgamation of many survivors into larger concerns greatly increased the size of units: the average output of 'brewers for sale' in 1920 was 12027 bulk barrels but

was up to 27881 in 1939,<sup>[2]</sup> an increase in size of some 131%. There were no new entrants to the industry : new companies were created but these were formed to facilitate the merger of existing firms.

In 1929 a visitors' guide to the North East said that

we find a good deal of derelict breweries, which have now passed out of use as the encroachment of the Scotch ales and South of England beer has made progress; although there still remains a number of breweries, and at least one with an extensive export trade, it must be confessed that with the importation of several ship loads per week from Scotland and a good supply by train from Burton and Yorkshire, that the brewing industry does not occupy the important place it once did in the industrial life of the North East Coast.<sup>[3]</sup>

The number of firms brewing in the region was more than halved between 1920 and 1939 as the number fell to fifteen. In a statement given to *The Times* in 1934, the vice-chairman of the Northumberland & Durham Brewers' Association said that over thirty firms operated in the North East Coast district, and of these approximately half brewed locally.<sup>[4]</sup> Whilst this statement confirms the importance of outside firms in the region's beer trade, it suggests that the trade association had overlooked some of the smaller brewers still operating in the mid-1930s. Nonetheless, the process of market concentration had continued through the 1920s and early 1930s, and was essentially one of the absorption of smaller firms by larger ones being accompanied by the merger of the larger firms. In this respect the growing concentration of ownership in the region's brewing industry in the twenty years before 1939 is principally the story of the Associated Breweries Ltd.

The 1920s witnessed the amalgamation between the primarily Durham-based North Eastern Breweries and Vaux, and the fusion of the two Berwick firms of Border Breweries and Johnson & Darlings. The amalgamation

scheme between Vaux and North Eastern Breweries consisted of the formation in 1927 of a company under the title Associated Breweries Ltd. with a capital of £1,500,000 in £1 shares (1,000,000 ordinary and 500,000 cumulative preference) to acquire the shares and other interests of the two concerns. The purchase consideration was £1,184,497 made up of cash of £268 and 869,716 ordinary and 314,513 preference shares satisfied as to

- : 3 £1 ordinary shares in Associated Breweries and 10d cash for every 2 £1 preference shares in North Eastern Breweries
- : 9 £1 7% preference shares in Associated Breweries for every 2 £5 5% preference shares in North Eastern Breweries
- : 14 £1 ordinary shares in Associated Breweries and 6s 4d cash for every 1 £5 ordinary share in C. Vaux & Sons
- : 9 £1 7% preference shares in Associated Breweries for every 2 £5 6% preference shares in C. Vaux.<sup>[5]</sup>

When the Associated Breweries scheme was in its formative stage, F. Nicholson, managing director of Vaux, approached both Rowell's and Newcastle Breweries in the hope of including them in the new holding company. It is not known why Newcastle Breweries rejected the overture but Rowell's directors felt that the terms offered were out of line with the market value of their shares and were unhappy that the purchase consideration was to be in the form of a scrip issue. The company's minute book records the view that "a cash consideration may have been different".<sup>[6]</sup>

Before the Vaux and North Eastern Breweries linkup, Vaux purchased the Norton Grange Brewery of Heslop and joined with Calders' in 1925 to acquire the business of Robinson Bros. who ran the 22—quarter Houghton—le—Spring Brewery. The 63 licensed houses were split between the two companies. In 1925 North Eastern Breweries had taken over the Hartlepool firm of Harker & Co., and after

the formation of Associated Breweries, the new holding company acquired the whole of the shares of the Hetton-le-Hole firm of Thos. Lamb. Thus by 1927 six brewery companies had relinquished their independence and become part of Associated Breweries.<sup>[7]</sup>

In late 1923 the chairman of the Border Brewery Co. reported on protracted negotiations with the neighbouring firm of Johnson & Darlings and advised shareholders to accept the offer being made. The offer was subject to Johnson & Darlings being able to obtain 90% of the preference shares and 75% of the ordinary shares. In the event, the whole of the preference shares and almost all the ordinary shares were acquired. However, because Johnson & Darlings were also seed and grain merchants and fertilizer manufacturers, they felt the need to separate the brewery business from the agricultural side. The company therefore transferred the Tweed Brewery and licensed houses to the newly formed Berwick Breweries Ltd. in 1925 for a total price of £109,309.<sup>[8]</sup>

The only other takeover in the region in the 1920s was that in 1925 by Cameron's of the Darlington and Leeming business of Plews & Sons, in a deal stated to involve a sum approaching a quarter of a million pounds.<sup>[9]</sup> Further takeovers in the early 1930s meant the end of brewing in Darlington. In 1930 the business of T.M. & E.W. Hinde was sold outright to the Tadcaster Tower Brewery Co. Ltd. As well as its brewery and 14 licensed houses, the firm also owned considerable private property. Although still controlled by a surviving member of the Hinde family, those most involved with its management had died by the mid-1920s. The brewery ceased brewing after the takeover but most of the staff were retained to run bottling stores and allied activities serving the Tadcaster Tower's growing trade in County Durham. This left the Haughton Road Brewery Co. as Darlington's only brewer, but in 1934 it was absorbed by John Smith's of Tadcaster, who successfully bid £82,000 for its production facilities, 35 fully-licensed houses, 6 beerhouses and 11

off-licences. About 30 staff were employed at the time but numbers were to fall as brewing was curtailed.<sup>[10]</sup>

Associated Breweries revived its takeover activities in the late 1930s to make a significant capture in the north of the region where it was badly represented in terms of its tied trade. In 1937 it acquired a controlling interest in, and shortly afterwards the whole of the share capital of, the Berwick Breweries Ltd. This provided Associated Breweries with around sixty licensed houses, mainly in north Northumberland but with six in Scotland. The Berwick Breweries' board had accepted an offer from Associated Breweries to exchange all the 50,000 £1 ordinary shares in Berwick Breweries for 45,000 £1 ordinary shares in Associated Breweries plus £7,000 in cash. In 1938 Associated Breweries took over two smaller concerns; the Blyth & Tyne Brewery Co., which no longer brewed but had ten licensed houses, and the Newcastle firm of Ridley, Cutter & Firth. The latter was a private company with £80,000 debenture stock and it was therefore necessary to seek the authority of the debenture holders to release the company from maintaining the Manor Brewery and its plant. When this was done the brewery was closed down.<sup>[11]</sup>

The leading firm of Newcastle Breweries appears to have remained aloof from merger and takeover activity, apart from its 1923 £4350 purchase of Turnbull & Wood, a Newcastle wine and spirit merchants, and its 1939 £3717 takeover of John Miller & Sons, a Hexham firm of mineral water manufacturers. There were, however, detailed and lengthy talks with John Rowell's of Gateshead. The Newcastle Breweries board was told in 1927 that preliminary negotiations pointed to "an advantageous arrangement being made for the amalgamation of the two companies".<sup>[12]</sup> Discussions had taken place following the two companies' decisions not to become involved with the Vaux and North Eastern Breweries merger. The chairman of Newcastle Breweries had said that whilst he saw no advantage in his

firm joining with Vaux, the position of Rowell's was different, largely due to the siting and nature of the properties held. At a later meeting a representative of Newcastle Breweries stated that the object of the proposal was "to secure output and so reduce the cost of standing charges".<sup>[13]</sup> A formal offer was then made for the £100,000 share capital and assets of Rowell's, including the proposal that Rowell's continued as a separate entity and leased its property on a 35-year basis to Newcastle Breweries. The consent to the closing of the brewery was to be obtained from debenture holders before any contract could be finalised. The Rowell's board felt that the offer undervalued their firm's properties and it was unacceptable. However, given that Newcastle Breweries' approaches had been of a "friendly and courteous character", it was felt that "the matter should be left in such a way as to make it possible to re-open negotiations later if deemed desirable."<sup>[14]</sup> No link up between Rowell's and Newcastle Breweries actually took place until 1956.

Newcastle Breweries was therefore content not to combine with any other North East firm, nor could they be tempted to expand outside the region. An offer in 1924 which would have given them control of three Lancashire breweries with 170 houses was not entertained by the company's directors.<sup>[15]</sup> One other proposed regional amalgamation was aborted in the 1930s. The chairman of Berwick Breweries had conducted a series of meetings and exchanged correspondence with representatives of the Alnwick Brewery Co. which resulted, in 1933, in the Berwick Breweries suggesting terms for a merger between the two firms. The directors of the Alnwick Brewery Co., however, rejected the final proposal saying that "they did not think the time was opportune to amalgamate".<sup>[16]</sup>

Those takeovers and mergers that did take place in the period 1921–1939 are, of necessity, clearly documented. But these merely represent the final outcome of the concentration process and what is less clear is the nature of that process itself, the proposals that did not result in amalgamation and the identity of any failed

suitors. Some indication of this relatively unknown aspect of mergers can be gleaned from the minute books of Rowell's. This particular firm ended the period as the same independent brewer that began it, but it did negotiate and did consider possible mergers and takeovers. As well as the Newcastle Breweries and Associated Breweries offers already mentioned, Rowell's showed some interest in Robinson's of Houghton-le-Spring before it was bought by Vaux and Calder's, and in 1926 it carefully investigated the 27 freehold and 8 leasehold houses of the Brampton Brewery Co. before deciding not to purchase. Similarly, Rowell's had preliminary talks with Warwick's of Darlington before deciding that their tied trade did not warrant the price. The company also opened up negotiations with two other Darlington breweries that eventually went onto the market, Hinde's and Clayhill's. With regard to Hinde's, a number of visits to the brewery, interviews with directors and inspections of licensed premises took place over a period of fourteen months. Negotiations stalled, however, when Hinde's owners refused to release details of barrelage because the recent slack trade would have shown the brewery in an unfavourable light and the owners were also reluctant to name a price. Negotiations with Clayhill's over the Haughton Road Brewery also became bogged down in the estimates of barrelages and vagueness about price required. Later, when the brewery came up for auction, Rowell's inspected some of the properties, deciding that those in rural areas would be of little value but the town houses, although generally in need of modernising, had potential. Rowell's minute book does not record their attendance at the auction but the press reported John Smith's of Tadcaster outbidding an agent representing a Gateshead client. In 1935 Rowell's were also involved in some preliminary talks about the possible purchase of the other Gateshead brewing business of Isaac Tucker, but nothing came of it.<sup>[17]</sup>

Some North East brewers made further incursions into Scotland during the period. In 1922 Jas. Deuchar bought the Union Mills, Montrose to convert into a malting and then in 1923 Vaux acquired control of Lorimer & Clark Ltd. of the Caledonian Brewery, Edinburgh. This latter firm had been registered as a limited liability company in 1920 at which stage F. Nicholson of Vaux was described as the sole partner. Lorimer & Clark had been engaged in a trading arrangement with Vaux since 1919 and as a Vaux subsidiary held the share capital of the Durham & Northumberland Licensed Victuallers' Syndicate.<sup>[18]</sup> Concentration also took place amongst some of those 'outside' firms most prominent in the North East. Arrol's entered an agreement in 1921 with Calder & Co. (brewers) and Calders (Newcastle) under which Arrol's secured the right to brew the beers of the Calder companies, which were closing down their brewing facilities. The profits of the three companies were to be pooled. By 1926 Arrol's had agreed to brew lager beer for Allsopp & Sons. This provided so valuable a trade that in 1930 Allsopp's moved to acquire a controlling interest in Arrol's. By the end of the decade the Arrol's and Calder's tied estate in the North East was rationalised, with most going to Allsopp's.<sup>[19]</sup>

Whilst the concentration of ownership and market power was strongly determined by takeover and absorption, it was also assisted by the disappearance in the 1920s of five relatively small firms. The closures in 1925 of Lamb's Warkworth Brewery, Warwick's Victoria Brewery at Darlington in 1927 and Ovingham Brewery in 1929 were triggered by the death of elderly proprietors. In 1923 the liquidators of John Turnbull & Co. of South Shields failed to dispose of the Victoria Brewery as a going concern.<sup>[20]</sup> This was an early indication that, in an industrial structure far from conducive to new entrants, some small-scale operators with small numbers of licensed houses survived perhaps for historic, family reasons rather than because of strong commercial or economic justification. Buchanan's brewery was an exception to this trend. Here death of the owner triggered its sale, but its brewing



facilities proved to be conveniently sized and situated for another brewer, the Northern Clubs' Federation Brewery, which was considering expansion.<sup>[21]</sup> At Monkseaton the brewery survived into the 1930s. Yet another company, the Northumberland Brewery Co., was formed to take over the running of the brewery in 1920. This private company with a capital of £15000 bought the brewery and its two licensed houses, and amongst its directors were members of the Gateshead-based wine and spirit merchants Davison & Wood. By 1935, however, the firm had been wound up and its public houses taken over by Newcastle Breweries.<sup>[22]</sup>

### ***7.2.3 Capital Restructuring***

Between 1921 and 1939 the capital structures of a number of brewing companies were altered. On some occasions it was merely a matter of tidying up what were thought to be inappropriate share denominations but in other instances efforts were made by companies to raise additional capital or to compensate for the redemption of loan capital. The one incorporation during the period, representing a reconstruction of a family-based private company, was that of Isaac Tucker of Gateshead in 1929 with a capital of £78,800.<sup>[23]</sup>

Significant changes took place in the 1920s in Cameron's capital structure. In 1923 a decision was taken to increase the ordinary share capital to allow them to exercise an option to redeem part of their income stock by the issue of shares at any time they wished. In 1925 outstanding 7% income stock of £280,320 was issued at £50 per £100 stock to ordinary shareholders on a pro-rata basis. An outstanding £80,000 of 5½% notes in £200 denominations were also issued at par to ordinary shareholders. 500 ordinary shares were then offered to subscribers of the 5½% notes on the basis of one share at £12 for every £200 notes allotted. In 1928 another 13,986 ordinary shares were issued at par.<sup>[24]</sup>

Other firms that raised extra capital in the 1920s were the Berwick Breweries and Rowell's. Shortly after the amalgamation that formed the Berwick Breweries the new company offered the outstanding 27475 £1 7% cumulative preference shares to the public and the issue was doubly oversubscribed. Then, in 1928, the company increased its capital from £100000 to £130000, and issued a further 10,000 £1 7% preference shares. Anticipating a strong demand, these were offered to existing preference shareholders at £1 1s per share in the proportion of one for every five already held, and the issue was considerably oversubscribed. In 1926 Rowell's launched a £175,000 issue of loan stock, £120,000 of which was applied for by existing debenture holders whose earlier debentures had been due for repayment in 1925. Some of the proceeds of the new issue were used to repay the balance outstanding on the old debentures, but most of it was applied to the rebuilding and extending of properties and the purchase of additional houses.<sup>[25]</sup>

Capital restructuring continued into the 1930s amongst those firms with the largest estates and those most intent on improving them. In 1932 Newcastle Breweries 5% first mortgage debentures became due for redemption and a majority of holders agreed to a 21 year extension in return for a capital bonus payment of £5 per cent. The remaining debentures were redeemed at par and held available for possible re-issue.<sup>[26]</sup> In 1934 a Northumberland & Durham Brewers' Association spokesman wrote in *The Times* that

the total capital of the companies which trade solely on the North East Coast is nearly £7 millions, while probably a sum almost as large can be added to cover the proportion of capital of outside concerns represented by their holdings in the area. The three largest local undertakings are Association Breweries, Newcastle Breweries and Cameron's, controlling between them a capital of approximately £3.5 millions.<sup>[27]</sup>

Before the period ended the largest companies were to further increase their capital. In 1936 Associated Breweries increased their nominal capital by the addition of 611,987 5% £1 preference shares. The registered capital of the company at that time was £1,388,013, having recently been reduced by the cancellation of 111,987 7% cumulative preference shares which had never been issued. The net increase was therefore £500,000. Of the new shares, 300,000 were issued : they were offered to existing shareholders by whom 93% were taken up. Also in 1936 Rowell's 5½% debentures were redeemed and replaced by an issue of 4¼%, saving the company around £2400 per annum in interest. Most of the previous holders converted and the issue was oversubscribed. At Cameron's in 1937 a bonus issue of £490,020 £1 ordinary shares increased the company's issued capital to £1,280,520.<sup>[28]</sup>

In 1938, after its acquisition by Associated Breweries, the new directors nominated by the parent company set about increasing the capital of Berwick Breweries. 30,000 new shares of £1 each were created, to be issued as either preference or ordinary shares as the directors decided. Later in the year, the capital of the company rose to £245,000 with the creation of an additional 115,000 £1 ordinary shares. Although there was some opposition, the chairman pointed out that if all the shares were issued 2/6d paid it would raise £16,000 which was the immediate cash need of the company. A meeting agreed to this capital increase and that such shares would not be offered to the public before registered members, but also agreed that the directors could dispose of the shares in such a manner as they thought fit. A little later, all the 115,000 shares and 20,000 remaining of the previous 30,000 addition were allotted to the Associated Breweries and their nominees.<sup>[29]</sup>

The period 1921–39 also saw alterations which were no more than a reorganisation of capital into more appropriate denominations. At Rowell's in 1926 and Jas. Deuchar in 1928 £10 and £5 shares were subdivided into £1 shares. By

1937, when Cameron's converted their £10 preference and ordinary shares into stock transferable in £1 units, the £10 shares were felt to be "somewhat unusual these days and less popular and marketable than shares in lower denominations or stock transferable in small units".<sup>[30]</sup> It was also thought that the work of the company in its transfer department would be eased and lessened. In 1938 Newcastle Breweries converted shares to stock.<sup>[31]</sup>

Thus, the well-established, large firms also operated on a large scale when it came to raising capital; but some small firms still survived. For example, the Alnwick Brewery Co. was operating successfully, albeit largely confined to north Northumberland, with an authorised capital of £50,000 and only £23,000 issued.<sup>[32]</sup>

#### ***7.2.4 Rationalisation of Production***

The concentration of ownership was but the first step in the concentration of production, and those firms which had absorbed smaller ones quickly closed subsidiary breweries. Vaux ceased manufacturing at the Norton Grange Brewery and, after the merger which produced Associated Breweries, dismantled and sold the former Lamb's and Robinson's breweries at Hetton-le-Hole and Houghton-le-Spring. In 1926 the newly-fused Berwick Breweries consolidated its activities in Berwick by selling off its plant at the old Border Brewery and other branch properties. The whole of its output was brewed at the Tweed Brewery which was modernised and re-fitted to brew on a larger scale. One of County Durham's two Fenwick's breweries, the Chester-le-Street brewery, was closed in 1921.<sup>[33]</sup>

One brewer, Joseph Johnson, who as a result of a much earlier takeover operated in two districts, closed down its Durham City operations in 1923 to concentrate all activities at the Westoe Brewery. The move necessitated the extension and improvement of the Westoe facilities. A mineral water factory and

bottling plant were built, and new offices, cellars and garages were completed. Storeys were added to existing buildings and the final result was a fivefold increase in the capacity of the brewery. To reflect its new location, the company changed its name to the Westoe Breweries Ltd.<sup>[34]</sup>

In the 1930s Newcastle Breweries further consolidated its operations at the Tyne Brewery as it closed down many of its outlying branches. The old Forsters' malting at Sunderland was vacated in 1932, the lease of the High Brewery at North Shields was not renewed in 1933 and in 1937 Wood's Market Place Brewery in South Shields was sold to the Tyne Dock Engineering Co. for £2,550.<sup>[35]</sup> The Associated Breweries also concentrated their manufacturing operations : brewing was stopped at the former North Eastern Breweries' Wear Brewery in 1932 and by the late 1930s all brewing and bottling was done in Sunderland with "an important saving in production costs".<sup>[36]</sup> The old Blyth & Tyne Brewery was dismantled and partly demolished, and the North Riding Maltings sold.<sup>[37]</sup>

During the period both Deuchar companies centred their brewing operations in Scotland. In 1925 the Lochside II, a 140 ft steel screw-steamer was built for Jas. Deuchar. Fitted with specially designed machinery, the boat began a bi-weekly service from Montrose to the company's private dock at Newcastle, where a new jetty had been constructed in 1934 and mechanical unloading gear developed to handle the cargo of barrels. Warehouses were maintained by Jas. Deuchar in Newcastle and Sunderland but the Monkwearmouth Brewery was vacated in 1930. Robt. Deuchar also found it worthwhile to concentrate brewing in Scotland and brewing ceased at Newcastle in the late 1930s. Robt. Deuchar's products were shipped to the North East by rail. The company had private sidings at Duddingston Station where the beer was loaded into wagons and joined a daily service to Newcastle's Forth Goods Station made up almost entirely of ale traffic.<sup>[38]</sup> In contrast to this movement northwards, one Edinburgh firm, John

Aitchison, expanded its operations southwards into the North East. By 1930 it had acquired the Victoria Bottling Co. of South Shields and was building extensive new premises in Tyne Dock.<sup>[39]</sup>

The Northern Clubs' Federation had finally begun brewing in 1921 and expanded quite dramatically during the decade. After the debacle of the Alnwick purchase, the Federation negotiated for a small Newcastle brewery that was closed down. The building had been used during the war by Jas. Deuchar in conjunction with a representative of Bass to brew and bottle beer for the armed services. Bought for £4300, it was the brewery at which Sewell, the Federation's brewer, had previously worked and with which he was therefore familiar. The condition of the premises was such that brewing was able to take place a few weeks after its purchase in early 1921 when the weekly output was 75 barrels. The Federation's output expanded fast and by the latter half of 1926 it had a six-monthly output of bitter and mild ales of 10,182 barrels. The organisation needed to expand its capacity and was able in 1927 to rent the Hanover Square Brewery of John Buchanan on a three year lease with an option to purchase at a given price. In the first six months in the larger brewery output rose to 18,700 barrels. In 1929 the brewery was bought outright for £20,000 with the intention of carrying out another £10,000 worth of alterations to lift the capacity from 300 barrels per week to 750 barrels. This then left the older Hedley Street brewery free to be used for bottle stores and aerated water manufacturing.<sup>[40]</sup>

### ***7.2.5 Technology and Scale***

The concentration of ownership and the rationalisation of production into larger units offered advantages: scale economies in the use of plant and manpower, the application of better methods and a greater consistency in product quality were all made possible. But there was little in the period to change brewing itself. The

emphasis was on large scale and cost reduction using existing technology, although some advances were made in metallurgy and the use of new materials (or new combinations of materials) for certain vessels was a small feature.<sup>[41]</sup> For most brewers the potential for improvement lay in the newer activity of the additional link in the productive chain that was the bottling of beers, and also in the peripheral but increasingly lucrative activity of wine and spirit merchanting. Transport fleets also continued to offer an opportunity for enhancement.

The principal exhibits at successive Brewers' Exhibitions in the period 1920–39 were concerned with bottling. 1922 was typical, when it was reported that "numerically, bottle—washing, filling, labelling and corking machines form the most important item".<sup>[42]</sup> A few years later the trade press lamented that as regards general brewer's plant there was "little fresh"<sup>[43]</sup> but with regard to bottling there was plenty of evidence that the mechanical side was steadily forging ahead. By the end of the decade there was "little to be said about plant or processes in practical brewing" and brewers engineers "could be having a bad time but for the installation of plant in bottleries".<sup>[44]</sup> Ten years later, by the end of the 1930s, the largest number of exhibits were in the classes covering bottlewashing and sterilising.<sup>[45]</sup>

Bottling stores had been common since the turn of the century but the increasing demand for bottled products and the continued improvements in speed of machinery, coupled with the potential for reducing labour costs, offered a substantial competitive advantage to those brewers with the best facilities. An analysis of Baxter<sup>[46]</sup> of information contained in Census of Production put the percentage of total brewery output in bottled form at 4% in 1907 and 7% in 1925. Its growth in importance into the 1930s, however, is confirmed by the 1935 figure of 17%. With a declining overall market for beer, the brewers were unable to ignore the technical advances in bottling, although the larger brewers were more able to meet the capital costs. Vaizey outlines the importance of bottling on structure :

First, it led breweries to acquire bottling stores, a process often accompanied by the acquisition of wine and spirit merchants who were themselves bottlers. Secondly, it led them to develop bottling plants of their own, so making technical changes in the brewing process which required quite complicated arrangements. Thirdly, it raised both costs and prices of the better beers, because bottling was an expensive process, involving an additional stage in the brewery operations and additional transport and storage costs... By the nineteen-thirties most breweries of large size had extensive bottling stores in which expensive machinery bottled large quantities of beer. The small brewer was placed at certain technological and organisational disadvantages...<sup>[47]</sup>

The larger North East brewers equipped themselves to take advantage of the growing bottled market. At Newcastle Breweries, by 1925, the old St. Cuthbert's building had been transformed in to a new bottling hall where 240 dozen bottles were filled, corked and labelled each hour. All the new plant was British made, except for an American automatic bottle washing machine. There remained, however, the need for a human element: girls were employed to inspect the bottles against an illuminated background to ensure cleanliness. Similarly, after filling and corking, labels were still attached by hand. It was said that each girl was capable of labelling 10000 bottles in a seven hour shift (one every two seconds), working in continuous bursts of one and three-quarter hours each.<sup>[48]</sup>

The bottling process also required modifications to ensure beer was properly conditioned for bottling and proper arrangements made for the conveyance of bottles to loading bays. At the Newcastle Breweries, where half a million bottles of beer were turned out in 1928, the beer would stand in tanks for between 3 and 6 weeks and then in the cool room for up to 28 days. Glass lined steel tanks, each with a capacity of 3000 gallons, were installed for this purpose. When finally bottled, the beer was sent by conveyor to be packed into boxes travelling from another floor, and then by gravity conveyor to loading docks. These integrated improvements and extensions at the Tyne Brewery site were possibly the most



advanced in the region and certainly attracted the attention of local professional bodies. By 1937 further extensions and improvements were carried out in the bottling factory.<sup>[49]</sup>

Other North East brewers improved their bottling operations. In 1925 Rowell's directors acknowledged the need to modernise their bottling plant, although renewal did not take place until 1928 and 1929, to be followed in 1930 by the installation of electricity. Berwick Breweries extended their bottling store in 1931 and the Federation Brewery started bottling in 1934. At Cameron's in 1936 there was an expansion and re-organisation of the bottling plant and in the same year the Associated Breweries purchased the Avenue Theatre next to their brewery and at a cost of £12000 converted into a centralised bottling store.<sup>[50]</sup>

As well as bottling, other more piecemeal improvements were carried out at North East breweries. At the Berwick Breweries the capacity of coppers were increased and in the malting buildings alterations included the removal of old kilns and the conversion of the ground floor into a bonded warehouse. One intended improvement that failed, however, was the unsuccessful boring for the brewery's own independent water supply.<sup>[51]</sup> At the Berwick Brewery "scrupulous cleanliness"<sup>[52]</sup> was said to be the motto and the increasing stress laid on hygienic processes was a feature of the brewing trade at this time. As for Newcastle Breweries, the local press spoke of "perfect cleanliness and absolute sterility maintained at the Tyne Brewery" and on another occasion reported that "the outstanding feature was the cleanliness of the process and the care taken to ensure absolute purity".<sup>[53]</sup> Cameron's also made much of their "thoroughly hygienic conditions".<sup>[54]</sup>

Amongst the alterations made in the 1920s at Newcastle Breweries were an extension of the cellerage by adding new floors which could accommodate 1500 barrels, modifications to hopbacks and various structural works. By way of

contrast, at the small Blandford Brewery of Ridley, Cutter & Firth capital expenditure was largely confined to repairs to fermenting vessels suffering from dry rot. An indication of the capacity of the Tyne Brewery in the mid-1920s is given by a series of advertisements run by Newcastle Breweries. These described a three-roller malt mill capable of grinding 200 bushels of malt in one hour, mash tuns with individual capacities of 40 quarters of malt, coppers which could each brew sufficient at one boiling to provide 5000 dozen pints, and fermenting tuns which each contain 3000 gallons. In the 1930s the Newcastle Breweries continued to extend their 4 acre site and further work was carried out on extending the malt-milling intake and storage buildings.<sup>[55]</sup> At another Tyneside brewery, Rowell's, the early 1920s had seen an extension of electric lighting to bonded stores and new yeast presses were installed. Towards the end of the decade improvement centred on the installation of the most modern refrigeration system. Work in the early 1930s was restricted to replacing where necessary such items as racks when the old ones became dangerous. By the end of the decade, however, Rowell's was planning a major alteration to the brewery, but the threat of war deferred execution of such plans.<sup>[56]</sup>

The most spectacular example of growth in size during the period was that of the Federation Brewery. From 1930 extensions and improvements had continued at the new brewery but by 1935 it was clear that it was inadequate for the steadily increasing level of business. Particular constraints on the volume of brewing were the capacities of fermenting vessels and cellarage. The Federation therefore began negotiating with the owners of adjoining land and buildings, and by 1939 opened a new block of four floors and a cellar for storage, loading and garaging. This new building could accommodate 7000 full and 2000 empty barrels and included the region's first electronically operated barrel hoists. In the original buildings the fermenting rooms were extended and the bottling stores and washing sheds were

remodelled and re-equipped. The work had cost £70,000 and had raised the capacity of the brewery to 2300 barrels and 1000 bottles per week.<sup>[57]</sup>

A feature of brewing in the period was not only size within the brewery itself but ventures into wine and spirits on some scale. Newcastle Breweries had developed a five-storey bonded warehouse to serve its considerable wine and spirit trade. Its wine cellars, faced throughout with ceramic tiles, along a complex of corridors and lit by electricity, were thought to be "unsurpassed, both as regards constitution and arrangements"<sup>[58]</sup>. By 1925, the old beer bottling stores had become additional bonded stores and by 1939 the company was meeting its shortage of storage space by using a bonded store belonging to another brewer, W.B. Reid.<sup>[59]</sup> At Cameron's, large bonded stores provided accommodation on five floors for about 300,000 gallons of wines and spirits.<sup>[60]</sup> Again, the scale to which this department of the trade was carried out was a function of the company's overall size, and suggests that scale may have acted as an entry barrier to this section of the trade for the smaller brewer. The extent of the capital outlay was itself prohibitive and the carrying of stock — the Newcastle Breweries had stocks of port going back to 1887<sup>[61]</sup> — meant a great deal of working capital tied up. The growth of the wine and spirits and bottling activities during the period 1921–39 necessitated many brewers, not only the very largest, expanding their storage facilities. For example, Rowell's and Tucker's expanded their cellarage and North Eastern Breweries extended their bonded stores in Stockton.<sup>[62]</sup>

Transport had become a critical issue for brewers during the First World War and in the post-war period changing transport methods were contributing to the changing structure of the industry. In 1927 the *Brewing Trade Review* commented upon

the decrease in the use of the railway and horse and the increase in that of the motor lorry. The main effect is to eliminate the small country brewery because the large town brewery has a far wider circle of delivery in the working day. With improving roads, and wider use of the telephone, the larger towns are brought, economically speaking, close together and can compete with the smaller local brewer on more level terms.<sup>[63]</sup>

In 1920 the Brewers' Exhibition had contained no petrol wagons, only five steam driven wagons. But the future of the steam wagon was soon being called into question. The emergence of petrol vehicles capable of pulling trailers of equal tonnage to those handled by slow-moving steamers allowed delivery speeds to improve between 50% and 100%. High railway rates also encouraged the switch to road transport and the brewing press could say, as far as transport was concerned, that the "advent of the oil-age has put a different complexion on things".<sup>[64]</sup>

Some indication of the transport practices in North East breweries during the period can be gauged from pieces in the journal, *Motor Transport*. An article on Vaux's transport fleet illustrates two trends: firstly, the steam wagon which had superseded the steam tractor was itself being displaced by the petrol lorry, and secondly, electric vehicles were replacing horses for town deliveries. Detailed records kept by the company were used to produce the summarised results in Table 61.

*Table 61 : Delivery Costs for Different Methods  
of Transport at Vaux Brewery, 1924*

|                    | Cost per mile<br>s d | Cost per barrel<br>s d |
|--------------------|----------------------|------------------------|
| 3 ton petrol wagon | 2 4.8                | 3 3.8                  |
| 5 ton petrol wagon | 2 6.0                | 3 2.5                  |
| Steamer            | 5 2.1                | 3 6.6                  |
| Horse Transport    | 6 6.6                | 4 3.3                  |

Source : *Brewing Trade Review* 1.10.1924.

The trade press pointed to the Vaux statistics as "more convincing proof of the economic advantages of motor transport".<sup>[65]</sup> As well as being cheaper to run, the petrol lorries were able to deliver over a larger radius, which reduced dependency on the rail network. In addition, empties were returned immediately, thus reducing the total number of barrels in circulation at a time when the industry was suffering a shortage of suitable wooden casks. Electric wagons were regarded as complementary to other forms of transport, being suitable only for short distance work as an alternative to the horse. Although clean to run and maintain, electric vehicles involved a high initial outlay and were limited to districts where electric power was available at a reasonable price. It may have been considerations like these which led Vaux to re-introduce five pairs of horses for town deliveries in 1929. Newcastle Breweries was also finding it worthwhile to use horses in addition to its fleet of seventeen motor lorries, although the company made one break with the past in 1927 when it disposed of its steam wherry. Meanwhile, the Berwick Breweries were testing the reliability of pneumatic tyres on their motor lorries.<sup>[66]</sup> An account of transport arrangements at Joseph Johnson's brewery was published in *Motor Transport* in 1926 as an example of a "medium-sized fleet of mixed vehicles of various capacities".<sup>[67]</sup> In an average year the five vehicle fleet travelled a total of over 60,000 miles and carried between 6000 and 8000 tons of product. The firm had reduced its dependance on railways to almost nil and made large cost savings through pursuing a policy of "big mileages, big loads and a high standard of maintenance"<sup>[68]</sup> which had been carefully built up since 1919.

North East breweries continued to develop their transport fleets in the 1930s. Newcastle Breweries took delivery of four new motor lorries in 1933 and in the same year the Federation Brewery began to run its own vehicles. The Federation's purchase of its own fleet was considered an immediate financial success and by 1939

the brewery had thirteen vehicles in commission and records showed a big saving per barrel on the previous system. At Vaux their transport fleet included a small tanker which made twice daily trips from Sunderland to the Wallsend depot carrying ale in bulk.<sup>[69]</sup>

### 7.3 THE RETAIL TRADE

#### 7.3.1 The Licensed Property Market

The market for retail licensed property, which had been so buoyant and influential before the war, now had only a very marginal effect on the overall structure of public house ownership. This was only to be expected given the already high proportion of brewery ownership of licensed houses and, more particularly, the depressed state of the trade. The demand for licensed property weakened considerably as the difficulties of running a public house became more acute when the short-lived boom evaporated, sales decreased and profits fell. Some impression of the problems encountered by the retail trade can be gleaned from the experiences of local licencees in the tied sector. The end of the boom and falling consumption can be seen, for example, in the figures for turnover shown in Table 62.

*Table 62 : Turnover of Duke of Sussex, North Shields, 1921–1923*

|      | Beer<br>(Barrels) | Spirits<br>(Gals) | Aerated<br>Waters<br>(Dozens) | Bottled Beers<br>& Stouts<br>(Dozens) |
|------|-------------------|-------------------|-------------------------------|---------------------------------------|
| 1921 | 351               | 137               | 250                           | 263                                   |
| 1923 | 301               | 110               | 130                           | 89                                    |

Source : *Brewing Trade Review* 1.2.1924.

As the 1920s progressed, tenants operating on the basis of agreements drawn up with brewers during the optimistic post-war years found that rates at an unexpectedly high level combined with diminished takings to make covering costs problematic. Hard evidence is not available but statements made by participants in the trade, even after allowing for their overtly propagandist motives, give an indication of the seriousness of the problem. A director of Arrol's estimated that something like half of the houses in Newcastle in 1924 failed to pay their way and by 1929 the Durham Licensed Victuallers' Association claimed that 75% of tenants were nearly bankrupt. In 1933 another local licensed victuallers' defence organisation spoke of members "falling by the way in an appalling way" and in South Shields that year there were 44 changes of landlord.<sup>[70]</sup>

This bleak picture of the landlord's plight was confirmed when appeals against rating systems were heard. In one instance in 1933 four brewers appealed and their representative argued that "since the war beer, in an area like County Durham, had been a luxury with the result that a new generation had never acquired the habit of consuming in substantial quantities". Added to the competition from other forms of entertainment and clubs was "the enormous growth of cheap transport which enabled people to get away from small isolated places to the big centres of population" which "applied with enormous force in County Durham". As a result "there was no doubt that the fall in value of small public houses has been something more than a modest decline — it has simply been a catastrophe."<sup>[71]</sup>

Such statements are indicative of the conditions faced by the trade and which hit the single-house licensed victualler particularly hard. Bankruptcy hearings revealed the difficulties of running licensed premises, especially in poor areas. In one example, near Leadgate, a public house was operating in a locality

with 40 dwellings and 3 licensed houses. The licensee became aware of his insolvency in 1929, when customers fell to as low as one person on weekdays.<sup>[72]</sup> Under these market conditions there were clearly no longer the incentives that existed in previous periods for the enterprising private individual to come forward and purchase or lease a licensed house.

Whilst the demand from private individuals had all but disappeared, many partnerships and small firms involved in licensed victualling also found it difficult to survive. One notable feature of the period was the demise of the public house trust movement in the North East. In 1923 the Northumberland Public House Trust, which once managed seven public houses, went into voluntary liquidation. The Durham and North Yorkshire Public House Trust survived a little longer but as early as 1921, when it had eleven houses, it was experiencing considerably reduced profits. By the mid-1920s concern was being expressed about the very uneven results of particular houses and two were closed. By the end of the decade the trust had folded and Nimmo's took over the remaining houses.<sup>[73]</sup>

One factor in the trusts' failure may have been their lack of involvement in the complementary and growing trades of wines and spirits and bottling. Those firms with more broadly-based interest in the trade went through the 1920s in a more confident mood and proved to be less fragile. R. Emmerson, for example, who had ceased brewing shortly after the war but carried on as bottler, licensed victualler and wine merchant, was incorporated in 1923 with a capital of £60,000; a testimony to both the difficulties of continuing as a small-scale brewer and the possibilities of growth that existed in allied aspects of the trade. Likewise, John Fitzgerald, a Newcastle licensed victualler and beer wholesaler who briefly flirted with brewing in Scotland, was incorporated in 1926 and purchased further properties; and John Rees, a former Burton brewer's agent who had bought licensed property on Tyneside and developed his own beer, wine and cider merchant's



business, was also incorporated.<sup>[74]</sup>

Nevertheless, there were more people leaving the licensed trade than wishing to enter it. The deaths of proprietors of firms engaged in licensed victualling brought collections of licensed properties onto the market but with little immediate success. For example, none of the ten licensed houses offered by the executors of F.W. & F.H. Lamb were sold when auctioned in 1929, Horace Baxter's three Newcastle properties were also withdrawn in 1931, and of John Gibb's eight houses offered in 1932 only two were sold.<sup>[75]</sup>

It seems that the brewers more or less had the buyers' market to themselves but were becoming more reluctant to add to their tied estate through piecemeal purchases of individual houses. In the Newcastle licensing district brewers acquired twenty-one houses in the first six years of the 1920s but in the nine years thereafter only thirteen changed hands with brewers as the new owners. In 1929, after a series of licensed property auctions at which most lots failed to make their reserves, a prominent local brewer told the press that buying additional premises was no longer an attractive proposition. Surveying the trade nationally in 1930 the *Economist* stated that the policy of buying houses at high prices had been abandoned.<sup>[76]</sup> Brewers were becoming more selective about their portfolios of licensed properties. Newcastle Breweries, for example, bought twenty houses (some at auction and some by private treaty) in the period 1921–29, but only five houses, three of them residential, in the period 1930–36. In these last six years they turned down, on twenty occasions, offers of licensed houses. In 1934 they also sold a group of public houses at Staithes and Whitby to the Scarborough and Whitby Breweries Ltd.<sup>[77]</sup>

The minute books of Rowell's show that they were approached on many occasions in the period 1922–35 by licensed victuallers or their agents offering a total of around eighty properties for sale. The company only bought five of these properties and negotiated, unsuccessfully, for another eight. Of the remainder, two

thirds had been declined immediately whilst the others had been inspected before being turned down. Rowell's only other acquisition of licensed premises in the inter-war years was by default : the company took over three Newcastle houses for which they were mortgagers when the premises failed to reach reserves at auction. By the mid-1930s, the directors of Rowell's were stressing the need to acquire more houses, arguing that it was imperative that they should replace houses lost through redundancy. They therefore turned their attention to small tied estates that may have been available. For example, they considered making an offer for some of the houses of Newcastle licensed victuallers, Robinson & Anderson, and more advanced negotiations took place in 1938 with the proprietors of C. Collins & Sons, wine and spirit merchants. Rowell's had hoped to purchase the share capital of Collins but the owners wished only to sell their seven licensed houses for cash. Rowell's did not pursue the matter, finding the price asked "excessive".<sup>[78]</sup>

Houses were being bought by North East brewers but in a very selective way. One minor movement that continued was the conversion of leaseholds into freeholds when the opportunity arose. In this way, Newcastle Breweries became the owners of houses belonging to Pease & Co. in the Darlington area and the Colpitts estate in Durham. W.B. Reid and the Tadcaster Tower Brewery also bought groups of premises they had previously leased.<sup>[79]</sup> Another way in which brewers were tempted into the market was with the possibility of buying a particularly prestigious property. One example of this was Jas. Deuchar who in the 1920s bought two of Newcastle's biggest hotels, the County and the Royal Turks Head, to add to the firm's ownership of the Grand.<sup>[80]</sup> In regional terms, however, individual transactions by brewers counted for very little. The significant method by which brewers added materially to their tied estates was by takeover of another brewer. In this manner, for example, Cameron's picked up almost one hundred closely situated houses from Plews and Vaux acquired forty conveniently located

houses with its takeover of Thos. Lamb.<sup>[81]</sup>

Brewers from outside the region displayed a particular propensity to move in and out of the North East licensed trade. Bass, for example, purchased eleven public houses from Bell & Taylor, a Tyneside wine and spirit merchant, in the early 1920s, but put four up for sale in 1928. Charrington's advertised fourteen licensed properties, mostly in Middlesbrough and Stockton and some already modernised at considerable expense, in 1926. The company was said to be concentrating on its London business. Of the Scots brewers, Calder's released three Newcastle houses in 1936.<sup>[82]</sup>

### **7.3.2 Redundancy**

In the North East during the period 1920–38 there was a fall in the number of on–licences of in excess of 550, about 15% of the 1920 total.<sup>[83]</sup> Only one–sixth of the overall reduction can be accounted for by owners leaving the trade or being forced to close because of an offence against the licensing laws. The main cause of licence reduction was the operation by licensing authorities of compensation proceedings and the surrender of licences by large tied–estate owners in exchange for permission to build new premises.<sup>[84]</sup>

Since 1918 the authorities in some of the bigger licensing districts had pursued the question of redundancy in a systematic way, focussing on certain neighbourhoods in particular years. Newcastle justices, for example, followed up their efforts in the immediate post–war years by specifically targeting the Westgate area in 1922 (7 referrals for compensation) and Shieldfield/Jesmond Vale in 1925 (12 referrals). Similarly, at Tynemouth the magistrates concentrated on different parts of the borough in 1923, 1927, 1931 and 1934. In Gateshead in 1938 the chairman of the bench called for a drastic reduction in the 29 licensed houses in the High Street.<sup>[85]</sup>

Magistrates in the North East also arranged for more comprehensive surveys of the premises under their jurisdiction. These were usually carried out by the police and sometimes involved inspections by the magistrates themselves. In 1927, for example, the Chief Constable of Newcastle was instructed to furnish the justices with a full and detailed report on all retail licensed premises in the city. In Blyth the magistrates themselves made a four-day tour of 42 licensed premises and a sub-committee of the Norham bench personally visited properties.<sup>[86]</sup> Evidence from such surveys was used by magistrates not only to justify closure on redundancy grounds but also to grant conditional renewals linked to the improvement of premises.

The increased tendency for magistrates to compel owners to improve the structural condition and appearance of their houses gathered force in the 1920s, although the 1910 Licensing (Consolidation) Act had bestowed powers in this connection. In pre-war days, however, substantial alterations proposed by brewers were often blocked by the authorities who subscribed to the consensus view of that time that increasing the comfort and facilities of licensed premises was encouraging drinking. Two parliamentary investigations of the trade found that the justices had stood in the way of valid improvements, but in any case the improving statistics on drunkenness had forced magistrates to abandon this stance.<sup>[87]</sup>

The new pressure on licence holders for improvement can be illustrated by the behaviour of the Newcastle bench. The Chief Constable's Report for 1927 had argued that as it was becoming increasingly more costly and difficult to close houses on the grounds of redundancy, it was "essential that improved structure and accommodation should not only be countenanced but insisted upon for such premises". His survey of licensed houses covered "structural, sanitary and decorative condition; general accommodation for the public; and the situation and

convenience for public supervision."<sup>[88]</sup> As a result, he was able to recommend twenty of the city's 379 licensed premises as suitable for redundancy, forty-six for sanitary and decorative improvements, and eighteen for reconstruction. At the next brewster sessions the justices made recommendations for rebuilding and improvements, and considered formal objections to the renewal of the twenty houses nominated for redundancy. Only eleven of these were referred for compensation, however, the remainder being renewed with stringent conditions. For the Bull & Mouth, for example, an order was made that the following alterations were to be carried out within three months :

floors to be repaired and made secure, ceilings heightened...  
proper lavatory and sanitary accommodation for both sexes to be  
provided on the premises... all dilapidation to be made good, and  
plaster work renewed... additional seating in bar... passage to  
sitting room widened and door to cellar safe... ventilation to be  
improved.<sup>[89]</sup>

This same routine was followed in other years (in 1931 there were nine objections with five conditionally renewed and in 1932 twenty objections with fourteen receiving qualified renewals)<sup>[90]</sup> and in other districts. This policy of initial objection to a larger number of licences, and then renewing what appears to be an increasingly higher proportion on strict conditions, proved to be an effective way of improving public houses. For the licensing authorities, of course, this may have represented only second best; their preference being for a greater reduction in absolute numbers but the size of compensation funds was a real constraint. Nevertheless, there was always some reluctance amongst a fraction of those granted qualified renewals to meet the conditions and their licences thereby lapsed.

Because closure on the grounds of redundancy was dependent upon the availability of funds,<sup>[92]</sup> referrals tended to go in waves. (See Table 63). What records of the deliberations of licensing committees survive suggest that the criteria for redundancy adopted by magistrates was based on the density of licensed houses in the vicinity, the size of the local population, the level of business for a particular house, or some combination of these elements.

In a period of declining consumption a redundancy argument based on an over-abundance of licensed outlets was not difficult for magistrates to sustain. Thus, an admittedly well-conducted Berwick Breweries inn at Berwick could be found to be unnecessary because there were another four licensed houses within a radius of 200 yards and eleven houses within 500 yards. In the same way, Robt. Deuchar lost the licence of a Morpeth public house because there were twenty-three others within 500 yards. In Newcastle, eight Scotswood Road licences were reported for compensation because there were twenty-five full licences and ten beerhouses in a mile and a half stretch.<sup>[93]</sup> But there had also to be some qualitative judgement made by magistrates on the condition of houses. Whilst the state of the premises may not have been bad enough ordinarily to qualify it for a conditional renewal, its condition relative to others in a densely-populated neighbourhood may have been enough to ensure its inclusion amongst those chosen for referral. Ridley, Cutter & Firth, for instance, lost the licence of the Victoria Inn at Cowpen Quay because it was an old building in a 400 yard area served by eleven public houses and two clubs.<sup>[94]</sup>

Movements of population were also regarded by magistrates as evidence of redundancy and this was especially so in the 1930s as slum clearance schemes got under way. In 1934 Newcastle magistrates closed six houses, three in the lower Ouseburn area and three in the Close, because a large proportion of the former residents had moved out and their housing converted to warehouses. In the same

Table 63 : Renewals Refused under Compensation Proceedings in the North East 1921-1938

| No. of<br>Publican &<br>Beerhouse<br>Licences<br>in 1921 | Licensing<br>Authority | Renewals Refused each Year |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | Total  |
|--|------------------------|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
|  |                        | 1921                       | 1922 | 1923 | 1924 | 1925 | 1926 | 1927 | 1928 | 1929 | 1930 | 1931 | 1932 | 1933 | 1934 | 1935 | 1936 | 1937 | 1938   |
| 1613   | Durham County          | 8                          | 7    | 6    | 4    | 4    | 1    | 2    | 10   | 37   | 28   | 33   | 9    | 17   |      |      |      | 3    | 169    |
| 136  | Gateshead              |                            | 5    |      |      |      |      | 4    |      | 1    |      | 6    | 1    |      |      |      |      |      | 1 18   |
| 147  | South Shields          |                            | 3    |      | 2    | 1    |      |      | 2    | 2    | 2    | 3    |      |      |      |      | 4    | 2    | 2 23   |
| 276  | Sunderland             |                            | 2    | 5    | 3    | 5    | 3    |      | 3    | 4    | 3    | 3    | 3    | 2    | 3    | 3    | 4    | 6    | 4 56   |
| 78   | West Hartlepool        |                            | 2    |      | 1    |      |      | 1    | 2    |      | 3    | 1    |      |      |      | 2    |      |      | 1 13   |
| 601  | Northumberland County  |                            | 1    | 1    | 3    | 2    | 2    | 1    | 2    | 1    | 4    | 3    | 3    | 4    | 5    |      | 5    | 6    | 4 47   |
| 419  | Newcastle              |                            | 7    | 6    |      | 12   |      |      | 11   |      | 7    | 2    | 8    |      | 6    |      | 6    | 6    | 7 78   |
| 142  | Tynemouth              |                            |      | 5    |      |      |      | 5    |      |      |      | 4    | 5    |      | 8    |      | 3    |      | 30     |
| 109  | Middlesbrough          |                            | 1    | 1    |      |      | 1    |      |      |      |      |      |      |      | 1    |      |      |      | 4      |
|  | Total                  | 9                          | 28   | 23   | 13   | 24   | 7    | 13   | 30   | 45   | 47   | 55   | 29   | 23   | 23   | 5    | 19   | 26   | 19 438 |

Source : Licensing Statistics 1921-1938 (Cmd. 1703, 1936, 2257, 2469, 2743, 2913, 3173, 3393, 3644, 3928, 4165, 4457, 4727, 5034, 5585, 5869, 6145).

year six Tynemouth houses were dealt with for compensation in one small neighbourhood embraced by slum clearance. Likewise in Middlesbrough in 1933 four licences were lost on the north side, the older part of the town. Two houses were closed by South Shields justices in 1937 when the demolition of old properties shifted 300 people to other areas.<sup>[95]</sup>

As well as movements in housing, the disappearance of employment opportunities within an area could mean referral. For instance, Wallsend magistrates closed two public houses in 1934 because the closure of the Tyne Iron Shipyard and Eltringham's shipyard affected trade dramatically. When Durham County Licensing Committee referred 34 houses in 1931 it was because most were situated in mining areas badly hit by depression. In Willington, for example, six licenses were taken away, leaving another fifteen which were still said by the committee to be more than sufficient to meet the needs of the district. Significantly, only one owner of the thirty-four houses offered any opposition to closure.<sup>[96]</sup>

The level of business done by some houses was taken by magistrates as evidence of redundancy. The Northumberland County Licensing Committee referred three licences in 1936. One, owned by the Blyth & Tyne Brewery, was in the centre of a slum clearance area and had weekly takings of £15. A Jas. Deuchar house at Morpeth, which competed with 18 others within a quarter mile radius, had weekly takings of £21. Another, leased by Rowell's and situated near recently demolished housing and closed shipyards, was visited by an inspector on nineteen occasions between December and April. He reported that the average number of people on the premises at peak periods was two.<sup>[97]</sup> Such figures, although extreme, are of course indicative of the state of trade generally and raise the question of the extent to which statistics seized upon by magistrates at the height of an acute



trade depression are a reliable guide as to the need for a licence in more normal circumstances. Low takings were widespread at this time. There is no better illustration than the referral of the White Swan, Crook. The owners, John Smith's of Tadcaster, pointed out that despite its position and level of business, the public house was the fifth best for trade in the town.<sup>[98]</sup>

Local brewers, anticipating that in a period of declining trade an overall reduction in licences on redundancy grounds was irrefutable, set in train their own schemes to try and take the initiative away from the magistrates. A meeting of the Northumberland and Durham Brewers' Association held in 1930 discussed arrangements whereby they themselves would cooperate with one another in drawing up a suggested scheme for redundancy in those obviously congested areas which grabbed the magistrates' attentions, but no decision to proceed could be reached. A few years later members with houses in Jarrow sought to agree on a temporary closure of a proportion of all premises (in the hope of forestalling the magistrates' inclination to close some completely) and allow them to ride out the worst effects of the depression with all licences intact. Such self-regulation also failed when it was impossible to reach agreement. There was, however, one minor act of cooperation at South Hetton in 1933 when, at the suggestion of Castle Eden magistrates, an unofficial meeting of licence-owners met to submit houses to be treated as redundant.<sup>[99]</sup>

Given the degree of brewery ownership of public houses by 1920, the brewers were bound to lose some houses by the operation of compensation and no brewer in the North East was immune. But it would be a different matter to present this as brewers suffering at the hands of magistrates through the loss of profitable businesses taken away against their will. Only rarely was closure on the ground of redundancy ever objected to, although owners often contested the amount of compensation. The very concentration of licensed property in brewers' hands, which

meant they lost licences, also ensured that they were more than likely to have other properties in the vicinity in a position to compete for the trade of the closed premises. Two, perhaps not entirely typical, cases from Newcastle Breweries illustrate this point. In 1932 Blyth magistrates closed the Percy Arms but Newcastle Breweries also owned another house thirty-four yards away. A year later the licence of the Locomotive, Riding Mill, was refused but it left the village's only other licensed property, also owned by Newcastle Breweries, open two hundred yards away.<sup>[100]</sup> Given that on the whole the various licensing authorities' conclusions about the redundancy of premises were essentially correct, the closure of houses was something that the brewers themselves may well have been contemplating and indeed practised under amalgamation. In this sense the magistrates probably speeded up a process which economic considerations on the part of the owners would have eventually dictated, albeit executed in a more discriminating fashion. In any event the brewers' eyes at that stage were set not on the preservation of non-viable properties but on the prospects of building new houses in the newly emerging residential areas and on the extension or reconstruction of their existing tied estate.

### ***7.3.3 Rebuildings and New Licences***

Chapter 8, section 8.2.4 looks in detail at the degree of construction work carried out by brewers as an important element of competition. However, the results of such building activity impacted on the overall size and ownership pattern of the retail trade, and two general conclusions can be usefully referred to here. Firstly, there were few examples of persons other than brewers promoting rebuilding or new build projects.<sup>[101]</sup> Secondly, it was the most important brewing firms in the North East, and some leading firms from outside the region, who were the most active. One obvious reason for this state of affairs was the availability of finance :

brewers were likely to have access to greater financial resources than private individuals and the largest brewers were more likely to have the greatest funds. But having finance was not itself a sufficient condition for building and it is the other vital ingredient – permission of the licensing authority – that concerns us in this chapter.

Because the magistrates' powers were not confined to renewal of existing licences but included also the transfer of licences and the award of new ones, they could determine not only the extent of reduction through redundancy but the whole process of redistribution. So it was that even though magistrates in most areas had, by the early 1930s, adopted a policy of granting permission to rebuild and sanction removals to areas where new licences were clearly required, they usually looked for a more than equal exchange of licences.

The first task for the brewer wishing to rebuild an existing house or construct a completely new one was to convince the magistrates of the need to build or rebuild. In a small number of cases this was unnecessary if a compulsory purchase order removed the premises. In the vast majority of cases, with the property still standing, the unsuitability or inadequacy of the building was not too difficult to prove to magistrates who were generally ill-disposed towards the current state of most licensed premises. When, for example, in 1936 Newcastle Breweries told magistrates of up to 200 customers crowding the passages, yards and outhouses of the Green Tree, Benwell because of a fivefold increase in trade due to housing development, the bench readily agreed to a new building with a floor space of 4610 square feet compared to the 924 square feet of the old building.<sup>[102]</sup> When it came to the construction of entirely new premises in a new locale the magistrates could drive a hard bargain. The development of a new residential area was a clear justification, accepted by most magistrates, for the provision of licensed premises. Yet this was a necessary but not sufficient reason for the granting of permission.

This is why, for example, brewing firms sought licences for new premises to be erected on housing estates at South Shields, Gateshead, Jarrow, Sunderland, Thornaby and Middlesbrough, but did not receive the go-ahead until they showed a willingness to transfer one licence and surrender others.<sup>[103]</sup> The insistence by magistrates on a trade-in of a number of existing licences – amalgamation as it was called – led to both an overall reduction in the number of premises and an increase in the standard of those remaining. The surrender of licences also waived the owner's right to compensation.

This practice of surrendering licences in return for permission to enlarge or rebuild premises, or to obtain a new licence, was deplored by the Brewers' Society which in 1936 argued that united action from brewers would lead to its demise. There was some agreement in principle by the Northumberland & Durham Brewers' Association but practical considerations about the actual operation of such a policy prevented any binding resolution being passed.<sup>[104]</sup> It became customary for owners to surrender an additional licence but in many cases the number given up was greater. When Nimmo's went before Castle Eden magistrates in 1932 for permission to remove the licence of a South Hetton public house to new premises being built at Deaf Hill it surrendered three other licences at Trimdon. Similarly, Newcastle Breweries offered to trade in four licences for permission to build a new hotel in Sunderland in 1936, and in the same town a year later Vaux relinquished two public houses and two off-licences in exchange for a new licence.<sup>[105]</sup>

With this system of amalgamation operating the leading brewers, as holders of extensive portfolios of licences, had a distinct advantage in applying to build new premises; but that is not to say that their plans necessarily proceeded unopposed. Whilst the licensing justices seemed increasingly willing to grant new licences, sanction removals and favour plans for improvement, strong representations were

made by temperance workers and church groups opposing such developments, although their influence was gradually being weakened by the marked decline in both consumption and drunkenness. Indeed, often the more persuasive objections came not from those traditionally hostile to the trade but from fellow brewers who came forward to argue that an area was already adequately served by their own premises. For example, Vaux and Westoe Breweries came forward in 1938 to oppose a Calder's development at Durham, Associated Breweries (in the separate guises of Vaux and North Eastern Breweries) opposed Cameron's in 1939, and Associated Breweries again (this time as Robinson Bros.) combined with anti-drink protesters to block the West Auckland Brewery's plans for a new hotel at Lanchester.<sup>[106]</sup>

In the vast majority of cases attempts to block new developments failed, although it was recognised in the trade that some licensing authorities were more amenable to the transfer of licences to new premises than others. Whilst not refusing outright to allow rebuilding or new construction, magistrates varied in the degrees of stringency (the trade, of course, regarded it as pettiness) with which they imposed restrictions and conditions. Newcastle in particular was regarded as a difficult authority from which to secure new licences and transfers, and in 1937 was praised by the president of the United Kingdom Alliance as an "enlightened authority"<sup>[107]</sup> which for the sake of temperance was reluctant to have licensed property on its new housing estates.

#### ***7.3.4 Ownership of Licences***

Analysis of surviving licensing registers permits us to account for the ownership of 56% of the North East's total on-licences in 1920 and 62% in c1939.<sup>[108]</sup> The brewers' ownership of those licences for which information exists rose from 60% in 1920 to 75% by 1939. For brewers from within the region the

corresponding figures are 52% in 1920 and 64% in 1939. Within this overall picture of ownership variations exist amongst the thirty or so authorities.

From the available statistics (Appendix 8) a number of general patterns are discernible. Firstly, there are a group of predominantly urban authorities (for example, Hartlepool, Wallsend, Blaydon, Gateshead, Jarrow) which began the 1920s with brewers owning well over half the licensed houses and who continued to make progress such that by 1939 they held very high percentages. Secondly, there were those areas, like Middlesbrough and Wolsingham, which began the period with very high degrees of brewer ownership and consequently found it difficult to increase their shares significantly. In a third group of mainly smaller, rural areas (eg South West Darlington, North and East Coquet) the brewers pushed their share of licences up during the period until they owned around half by 1939. The inability of brewers to make more powerful inroads into public house ownership in other rural—districts could be explained by the high number owned by landed estates.<sup>[109]</sup>

In those cases where figures for only one decade exist (for example, Durham City, South East Darlington, Bedlingtonshire, Tynemouth) they confirm the overall pattern of increasing brewer ownership displayed in the more complete statistics for similar areas. The cases of Morpeth and the Middle and West Divisions of Chester~~Wood~~, where information is only available for the end of the period, endorse the picture of higher brewer ownership in the more densely populated authorities.

Not only did brewer ownership of houses increase in the period, it became more concentrated (Table 64). In 1920 half the North East licences for which we have information were shared amongst nineteen brewers; by 1939 only seven brewers accounted for half the ownership. The top five licence—holding brewers in 1939 held 44% of the total as against 25% in 1920. But this remains the aggregate regional pattern. Because of the geographical distribution of breweries within the region very marked concentrations could be found in some localities, with the Borough of

Hartlepool for example, having Cameron's owning 46% of the houses in 1939.<sup>[110]</sup> The overall increase in brewers' ownership was determined by the closure of houses by magistrates and the purchase of additional houses by brewers. The increase in concentration of ownership by individual brewers was due to both the differential patterns of closure and purchase, and in the substantial influence of takeover and merger. In this sense the concentration of licensed house ownership was a function of the concentration movement within the regional brewing industry itself.

*Table 64 : The Extent of Ownership of Licensed Houses for which records exist, by Leading Brewer—Owners in the North East, 1920 and 1930*

|                         | % of all licences recorded |      |
|-------------------------|----------------------------|------|
|                         | 1920                       | 1930 |
| Associated Breweries    | —                          | 14.8 |
| Newcastle Breweries     | 7.5                        | 10.6 |
| North Eastern Breweries | 5.9                        | —    |
| Cameron                 | 5.3                        | 8.1  |
| W.B. Reid               | 4.6                        | 5.6  |
| J. Johnson              | 2.6                        | 2.9  |
| West Auckland Brewery   | 2.4                        | 3.1  |
| Robt. Deucher           | 2.3                        | 4.8  |
| Jas. Deucher            | 2.2                        | 3.7  |

Source : As Appendix 8

The most important single event impacting upon individual brewer ownership was the formation of Associated Breweries. Whilst North Eastern Breweries was the second largest owner across those areas under review in 1920 (Table 64) it held less than 6%. By combining with others, however, in Associated Breweries the new holding company could command almost 15% by 1939. In individual licensing districts the pre—Associated Breweries takeover activity of its constituent firms and their eventual coming together created some high incidences of Associated Breweries

ownership. Thus, in Hartlepool, North Eastern Breweries' absorption of Harker's, followed by the merger with Vaux, gave it a third of all licences in 1939. In Houghton-le-Spring, where Robinson Bros. and Thos. Lamb were strongly represented, Associated Breweries emerged in 1939 with 45% of all licences, and similarly in the West Division of Chester Ward where they had 50%. In Benfieldside, Associated Breweries share of ownership had been strengthened not only by merger but by Vaux's purchase of a group of houses from the Shaftoe Slingsby estate in 1927.<sup>[111]</sup>

In 1920 the Border Brewery and Johnson & Darlings each held comparable shares of around 30% of Berwick's licensed houses. In 1930, following the merger of the two firms into Berwick Breweries, the new firm held 75%. In 1939, when Berwick Breweries had recently become part of Associated Breweries, this percentage had risen to 78%. This concentration of ownership between 1920 and 1939, over and above the combined shares of the two merged firms, is explained by the differential rates of referral and closure: whilst Berwick Breweries and its predecessors lost seven licences during this period, other owners lost a total of seventeen.<sup>[112]</sup> The Associated Breweries' takeover activity in the 1930s had a significant effect in the Bedlingtonshire district where the Blyth & Tyne Brewery Co. had most of their houses and in 1930 held 10% of the total. Berwick Breweries and Ridley, Cutter & Firth also owned houses such that by 1939 Associated Breweries had 22% of the total in an area where in 1930 Vaux had only 1%.<sup>[113]</sup>

Other pockets of strengthening individual brewer ownership resulted from the Cameron's takeover of Plews. In part of County Durham this raised the company's share from 6% in 1920 to 12% in 1939. In Bishop Auckland Cameron's ownership of houses rose from 15% to 26%, aided also by the purchase of a handful of houses from Massey's Brewery, Burnley, in 1923.<sup>[114]</sup>



Table 65 illustrates the spatial concentration of most houses within comfortable delivery distance of their breweries, given the advances in transport methods. Thus it was that the thrust of Cameron's retailing efforts was in south Durham where its brewery and the traditional custom of Plews were well established. Newcastle Breweries had a strong presence along the Tyne, the West Auckland Brewery's tied estate was most noticeable in south west Durham and Fenwick's houses were near its former brewery in Chester-le-Street. Associated Breweries, because of the geographical spread of the firms absorbed into it, moved further away from its Sunderland base: north of the Wear it competed with Gateshead and Newcastle brewers, but to the south it was the Hartlepool and West Auckland firms which it rivalled.

The picture that emerges from Table 65 indicates that within each licensing district the larger local brewers, although holding significant shares of total houses, nevertheless faced competition from other leading, usually neighbouring brewers. Although greater numbers of brewers often held houses in each district it was a few brewers with reasonable shares each that constituted the effective competition. In few licensing districts could a particular brewer be said to dominate the retail trade. In Newcastle in 1939, for example, twenty-four different brewers shared 61% of the publican's licences but 30% were held by just three brewers and the individual share in each case was around 10%.<sup>[115]</sup>

Brewers from outside the North East extended their tied estates within the region (Table 66) and at a faster rate, in the case of Scottish and Yorkshire firms, than the indigenous brewers. Their impact was not felt uniformly across the region but tended to be concentrated in those parts of the region nearest their breweries. Yorkshire brewers had substantial holdings in the south of the region by 1939, caused to a large extent by the Yorkshire takeovers of two Darlington breweries in

Table 65 : Numbers of Licensed Houses owned by some North East Brewers in some Licensing Districts c.1939

| Licensing District/Brewers    | R. Fenwick | Hill's | J. Johnson/<br>Westoe | West Auckland<br>Breweries | Cameron's | Associated<br>Breweries | Newcastle<br>Breweries | W.B. Reid | Robert Deuchar | Jas. Deuchar | Rowell's | Tucker's | Almwick Brewery |
|-------------------------------|------------|--------|-----------------------|----------------------------|-----------|-------------------------|------------------------|-----------|----------------|--------------|----------|----------|-----------------|
| Tynemouth                     |            |        |                       |                            |           |                         | 26                     | 21        |                |              |          |          |                 |
| West Division of Chester Ward |            |        | 8                     |                            |           | 27                      | 11                     | 15        |                |              |          |          |                 |
| Jarrow                        |            |        |                       |                            |           | 13                      | 36                     |           |                |              |          |          |                 |
| Hartlepool                    |            |        |                       |                            | 47        | 33                      |                        |           |                |              |          |          |                 |
| Middlesbrough                 |            |        |                       |                            | 9         | 21                      |                        |           |                |              |          |          |                 |
| Bishop Auckland               |            |        |                       | 18                         | 26        | 19                      | 6                      |           |                |              |          |          |                 |
| S.W. Darlington               |            |        |                       |                            | 11        | 6                       | 6                      | 16        |                |              |          |          |                 |
| Darlington County             |            |        |                       | 15                         | 15        | 9                       |                        |           |                |              |          |          |                 |
| Wolsingham                    |            |        | 12                    | 12                         | 18        | 41                      |                        |           |                |              |          |          |                 |
| Durham County                 |            | 7      |                       |                            |           | 26                      | 8                      |           |                |              |          |          |                 |
| Bedlingtonshire               |            |        |                       |                            |           | 22                      | 19                     | 9         |                |              |          |          |                 |
| West Castle                   |            |        |                       |                            |           | 12                      | 13                     | 23        |                |              |          |          |                 |
| Houghton-le-Spring            | 7          | 8      |                       |                            |           | 45                      |                        |           |                |              |          |          |                 |
| Middle Division of            |            |        |                       |                            |           |                         |                        |           |                |              |          |          |                 |
| Chester Ward                  | 23         |        |                       |                            |           | 18                      | 19                     |           |                |              |          |          |                 |
| Blaydon                       |            |        |                       |                            |           | 11                      | 13                     | 10        | 9              |              | 14       |          |                 |
| Newcastle                     |            |        |                       |                            |           |                         | 11                     | 11        | 9              |              |          |          |                 |
| Gateshead                     |            |        |                       |                            |           |                         | 21                     |           |                | 9            | 11       | 12       |                 |
| Gateshead                     |            |        |                       |                            |           |                         | 15                     |           | 8              |              | 9        | 13       |                 |
| WallSEND                      |            |        |                       |                            |           |                         | 22                     | 13        |                | 13           |          |          |                 |
| East Coquet                   |            |        |                       |                            |           |                         |                        |           |                |              |          |          | 23              |

Source : As Appendix 8.

the 1930s which involved a total of 66 licensed properties. The 1934 purchase of the Haughton Road Brewery Co., for example, gave the Tadcaster Tower Brewery another eight fully licensed houses in Darlington itself. Consequently, by 1939 one third of the public house licences in the Darlington County Sessional area were owned by Yorkshire brewers. In Barnard Castle Yorkshire-based brewers owned 10% of the houses and 12% in Middlesbrough. The Tadcaster Tower Brewery moved further north to Houghton-le-Spring in 1936 when it purchased seven houses from the Earl of Durham.<sup>[116]</sup>

*Table 66 : Extent of Ownership of North East Licensed Houses, for which records exist, by Brewers from Outside the Region, 1920 and 1939*

|                   | % of licensed houses |      |
|-------------------|----------------------|------|
|                   | 1920                 | 1939 |
| Yorkshire-based   | 2.0                  | 3.2  |
| Scottish          | 3.6                  | 5.4  |
| Burton and others | 2.4                  | 2.9  |

Source : As Appendix 8

The tied houses of Scottish brewers were generally clustered around Tyneside and in Northumberland. In Berwick, Scottish firms offered the only brewery-owned public house competition to the Berwick Breweries, later Associated Breweries. Brewers located north of the border owned around 10% of the houses in Gateshead, Bedlingtonshire and Tynemouth; in Morpeth the percentage was 14% and in Jarrow 16%. In Newcastle Scottish brewers accounted for only 9% of the total full-licences, but this had risen from 5% in 1920 due to acquisitions during the period by MacClay and McEwans.<sup>[117]</sup>

One exception to this geographical concentration of Scottish brewing interests in the north of the region was Wm. Younger's 8% holding of Hartlepool's houses and its 10% share in Middlesbrough, where it bought some houses from Charringtons in 1937. Middlesbrough was also the strongest area for Burton brewers who together owned 26%, and their relatively minor influence in other areas was nevertheless increasing, particularly in Newcastle. Middlesbrough's position on the edge of the region and its own lack of a brewing heritage gave it a more varied and balanced mix of public house ownership. In 1939 eighteen different brewers owned houses; eight from the North East, five from Yorkshire, four from Burton and one from Scotland. The largest individual owners, after Associated Breweries, were Bass and Wm Younger.<sup>[118]</sup>

By 1939 it is clear that some North East brewers held large tied estates in the region. This was at the end of a period when some brewers had bought further houses but, more particularly, when concentration amongst brewing firms had concentrated ownership of retail estates. All this was at a time when the total number of public house licences in the region had dropped by some 15%.<sup>[119]</sup> Without a complete set of licensing registers it is impossible to calculate total numbers for the tied estates of every brewer. Towards the end of the period, however, various estimates were made of the houses owned by particular brewers (Table 67).

*Table 67: Estimated Total Number of Houses Owned  
by some North East Brewers c1939*

Associated Breweries :

|                         |     |     |
|-------------------------|-----|-----|
| Berwick Breweries       | 57  |     |
| Thos. Lamb              | 29  |     |
| North Eastern Breweries | 251 |     |
| Ridley, Cutter & Firth  | 33  |     |
| Vaux                    | 255 | 625 |
| Jas. Deuchar            |     | 200 |
| Newcastle Breweries     |     | 400 |
| W.B. Reid               |     | 147 |

Source : *Stock Exchange Official Yearbook* 1940; Baxter (1945) Table 58, p. 231; *Tyneside Industrial Review*, February 1938.

As well as ownership the other element in the brewers' tied estate was the leasehold sector. One estimate by the local brewers' association put the extent of North East houses controlled by brewers at 80% in 1938.<sup>[120]</sup> In the only licensing authority where a complete record of leases was kept (Durham County Petty Sessions), half the non-brewery owned houses in 1939 were leased by brewing firms. This lifted the share of total houses controlled by brewers to 85%.<sup>[121]</sup>

#### 7.4 SUMMARY

By 1939 the North East brewing industry had many fewer firms than in 1921, although its position in the context of the national industry probably remained much the same. The Census of Production data that is available for part of the period shows Northumberland, Durham & Cleveland to have the same percentages of the United Kingdom's total brewing workforce (2.2%) and number of establishments (3.6%) in 1935 as they had in 1924. The region's share of gross output fell slightly from 1.9% in 1924 to 1.8% in 1935, and the absolute output fell by 25% during the period compared with a national drop of 22%.<sup>[122]</sup>

What is clear from the Census data is that the average size of North East breweries fell short of the United Kingdom average : gross output value per establishment in the region for 1935 averaged £102,000 against a national figure of £208,000, and the average number employed in the North East was 56 per firm whilst national average was 94.<sup>[123]</sup> A comparison of the output and employment data suggests that the North East firms were not only smaller but also less efficient.

Takeover and merger in the region's brewing industry had important consequences for the ownership of the retail trade. The concentration in brewing itself — along with the continued operation of compensation procedures by the licensing authorities and the accelerated momentum of public house improvement — impacted upon the structure of the retail trade.

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## *CHAPTER 8 : COMPETITION AND PERFORMANCE*

### *8.1 INTRODUCTION*

The competitive environment for brewers was unusual in that it was free, to any real extent, from foreign imports. Also, for an industry so reliant upon its ability to control the retail trade, there was no likelihood of any significant new domestic entrants into that sector because of the authorities' unwillingness to grant new licences. Nevertheless, the brewers' market of 1921 embraced a number of different aspects, with them competing as both wholesalers and retailers. As wholesalers they served that sector of the drink trade not itself controlled by the commercial brewers; a sector consisting of the 'free trade' — owned licensed premises and the licensed clubs. As retailers they competed with the tied trade of other brewers and also with free trade outlets and clubs (which they may or may not have supplied). In the expanding 'take home' trade the brewers competed with other brewers, with the free trade, and with wine and spirit merchants and other off-licence owners. Another feature of the retail trade was the manner in which brewers competed on a basis much wider than merely price. In addition, the changing nature of competition from within the trade was underpinned by a gradual acceptance of social change taking place outside of it. A strong component of the economic environment faced by brewers was to be found in all those counter-attractions which competed directly with the brewers for the public's discretionary recreational spending.



## 8.2 THE COMPETITIVE ENVIRONMENT

### 8.2.1 Counter-attractions

As consumption began to fall in the 1920s, the brewers appear to have consoled themselves with the thought that economic revival was all that was necessary to revitalise the brewing trade. Chairmen of North East brewing companies regularly reassured shareholders that improvements could be expected when local industry picked up. Rowell's annual general meeting was told, for example, in consecutive years, that disappointing results "were due solely to the decreased purchasing power of the public" and the situation would be turned around as soon as the "basic trades recover".<sup>[1]</sup> Cameron's and the Newcastle Breweries blamed "unemployment", and Alnwick Brewery Co. blamed "hard times".<sup>[2]</sup> At first, it seems, the brewers saw the cause of the fall in consumption as the state of the local economy which begat redundancy, short-time working and low wages. By the end of the 1920s, however, the brewers, said the *Statist*, had finally become

convinced that change in public taste was really permanent, due to causes likely to become more powerful with the passing of time. The higher price level was only one of these. Of much greater, though less easily traceable effect was the popular hunger for amusement, a natural reaction from the grey atmosphere of wartime, and the vast increase of facilities for popular entertainment of many and very different type. These facilities attracted more money which would once have been spent among the brewers. The public house has lost its social importance and has become a refreshment shop rather than a home of entertainment.<sup>[3]</sup>

Interviews conducted with employers in Middlesbrough by the Buckmaster Group around 1930 give some indication of the factors contributing to the change in drinking habits. Basic economic influences like high prices, low earnings and restricted opening hours were thought by some to have played a part in the tendency towards decreased consumption. But changes in social attitudes were also

cited, for example

an increasing interest taken by fathers in their families; and the ambition of girls, fostered by better education and the cinema, to obtain better homes – impelling them to bring their influence to bear on the young men with this object before them.<sup>[4]</sup>

There were also changes in working conditions and working practices which tended to modify the traditional hard drinking in some occupations; the reduction in hot and arduous shifts, the replacement of heavy manual work by machinery, and, according to a gasworks official, the award of a week's paid leave which encouraged people to save to finance a holiday away from home.<sup>[5]</sup>

Nevertheless, much of the evidence, though impressionistic, stressed the growing popularity of counter-attractions. It was said that many people now showed a preference for the picture house over the public house; that, despite low incomes, expenditure was increasing on the cinema and bus travel; that men spent more on clothing and recreation; and that people were being lured by games and the desire to keep fit for strenuous sports like cycling.<sup>[6]</sup>

By 1930 representatives of the trade were publicly admitting that other forms of amusement were making rapid advances and generally acknowledged the principal counter-attractions as sport and the cinema.<sup>[7]</sup> Of the mass-spectator sports, it was English league football that proved the most popular, attracting unprecedented levels of attendance during the inter-war years. Throughout the period 1921–39 league football was played at Middlesbrough, Newcastle, Sunderland, Darlington and Hartlepool; and for long parts of the period at Durham, Ashington, South Shields and Gateshead. Ground capacities had been raised to accommodate the growing interest and many of the North East clubs enjoyed higher regular attendances and also their highest individual crowds during the period. Those in the bigger conurbations experienced some massive attendances for

particular matches with, for example, over 68000 people at a Newcastle game in 1930 and in excess of 75000 at Sunderland in 1933. But even a smaller club like Ashington could boast one crowd of nearly 12000 and non-league matches also drew spectators with almost 20000, for example, watching an amateur final at Darlington. The professional football clubs spent large amounts on their grounds, not only to increase size, but also to lift the general standards of comfort. All the North East's league clubs made far-reaching changes to their stadiums in the way of extra seated accommodation and weather protection for those standing.<sup>[8]</sup>

This greater attention to comfort of customers was most clearly demonstrated in the period's other great popular pastime of cinema-going. Between 1924 and 1939 the number of cinemas in Britain rose by almost 60%.<sup>[9]</sup> Although new cinemas had been opened in the North East in the 1920s, it was in the 1930s after the arrival of sound that the 'picture palaces' came into their own. Large, custom-built cinemas were erected across the region, and in the larger towns a number of such buildings would spring up within a few years of one another. In West Hartlepool three new cinemas were built with a 'stone's throw' of one another, in Sunderland five new cinemas opened between 1932 and 1937, and in the three years before the outbreak of the Second World War four cinemas were erected in Gateshead and three in Middlesbrough. In Newcastle fifteen new cinemas were built between 1931 and 1939.<sup>[10]</sup> The growing popularity of cinema and football was something the brewers could not ignore, and equally the efforts made by the football authorities and the cinema-owners to improve facilities for their patrons was something the brewers would be required to emulate in order to compete.

### ***8.2.2 The Free Trade and Clubs***

The free trade can be regarded as all those licensed premises not controlled by brewers. In the North East this represented the market wherein brewers from

within the region (and those outside, especially leading Scottish and some Burton brewers) competed with one another as wholesalers. Here, competition was ostensibly confined to the delivery process, but there was a strong element of price fixing by the brewers' trade association.

It was certainly the case that the non-tied licencees, often single-property licence-holders, felt themselves at the mercy of the brewers. The brewers' market power was challenged, however, when such licence-holders themselves combined. In Newcastle in 1924, for example, an Association of Free Licence Holders was formed to secure more favourable terms from suppliers. Representations were made to both the Brewers' Society, the Wholesale Wine & Spirit Merchants' Society and some individual brewers for larger discounts. With a membership of 100 in the Newcastle district, the free licence holders were able to secure some improved discounts. But whilst the brewers generally expressed a willingness to grant a price reduction it was on the understanding that other brewers fell into line. Although they made some concessions, they held to their collective control on prices.<sup>[11]</sup>

That the free trade was not seen by brewers as an arena for cut-throat price competition was probably due to two factors. Firstly, given the increasing degree of brewer control of licences premises, it was but a small market made up, for the most part, of the less prosperous houses. Secondly, the brewers had no control over the other increasingly important components of the marketing mix, especially the structural and decorative standards of the retail outlet itself. The brewers were, however, much less relaxed about clubs.

The licensed club as an alternative to the public house as a venue serving alcoholic drink caused brewers much anxiety. A Royal Commission had reported in 1932 that

the club, in many instances, has become a formidable competitor to the licensed premises ... we are satisfied that there are many clubs in all parts of the country which have been brought into existence solely for the purposes of supplying intoxicants. In our view such a club, for all practical purposes, fulfils substantially that same function as a public house. The evidence shows that the competition of such clubs is felt keenly and greatly resented by the licensed victualler.<sup>[12]</sup>

By 1939 almost 17000 clubs were registered in England and Wales, representing 23% of total on-licences. In the North East the number of clubs rose from 722 in 1921 to 894 in 1938, an increase from 20% of all on-licences in 1921 to the national figure of 23% by 1938.<sup>[13]</sup> But it was not only the number of clubs that caused concern amongst brewers but the extent of the custom they enjoyed. Calculations made by Baxter show consumption rising in clubs such that by 1930 he could argue that "notwithstanding the falling trend in the national drink bill, the amount spent in clubs had steadily risen".<sup>[14]</sup> Membership was also rising: by 1922 membership of clubs within the Club & Institute Union was showing a 70% increase on the previous ten years. The Chief Constable of Middlesbrough reported in 1925 that the aggregate membership of clubs in the town constituted some 35% of the entire male population.<sup>[15]</sup> Some care, however, must be taken before equating nominal membership with participating membership. As Selley pointed out in 1927 :

It is becoming quite common for clubs to be attached to large works. In Middlesbrough several of the large iron and steel works have working men's clubs bearing the name of the firm. In such places all male employees are, ipso facto, members of the club.<sup>[16]</sup>

Of particular worry to North East brewers was the workingmen's club movement and the additional threatening dimension of their own brewery. By 1939 the workingmen's club movement in Northumberland & Durham had 387 clubs with a membership of 90,000 and the Federation Brewery had long offered the clubs

cheaper beer. In 1924, for instance, when brewers were being criticised for their high prices, the Federation was selling beer at 2s per barrel less than the commercial brewers and also paying dividends of 4s per barrel purchased.<sup>[17]</sup> The brewers had long treated clubs with suspicion, regarding them as a vehicle for circumnavigating the most restrictive aspects of the licensing system. This was recognised by the 1899 Commission and again when the 1932 Commission expressed the view that "if the law remains unaltered, it is, theoretically at any rate, possible that by the multiplication of clubs, the effective administration of licensing laws may be seriously prejudiced".<sup>[18]</sup> But the brewers, whilst criticising the privileged existence of clubs, also spotted opportunities for extra business. The 1932 Commission had

received conclusive evidence that some sections of the brewing industry have not failed to appreciate these possibilities and have, by means more or less direct, lent financial and other assistance towards the formation, with a view to registration, of clubs in which their wares may find an outlet<sup>[19]</sup>

In the North East some brewers were able to 'tie' clubs on the basis of loans and, in any event, many had a lucrative trade with clubs as suppliers. It was reported in 1939 that an increasing number of clubs, including those on dog—tracks, were appealing to brewers for financial assistance. It was far from the case that all clubs were supplied by the Federation Brewery, although by 1939 half the total number in Northumberland, Durham, Cumberland and Cleveland were. Not only did the Federation Brewery supply beer but by 1936 was wholesaling proprietary brands, such as Guinness, at a net price which undercut those of conventional bottlers.<sup>[20]</sup> The commercial brewers were therefore forced to pay attention as the Federation steadily gained ground on its competitors between 1921 and 1939.

### 8.2.3 *Prices and Products*

During the First World War much stress had been put on 'trade defence' whereby brewers came together as fellow producers and licencees to act in their collective interests rather than being engaged in out-and-out competition. Such degrees of cooperation extended beyond the war when the industry perceived a threat of nationalisation and also had to operate under the shadow of the Budget and decisions made by Chancellors in successive economic crises. There was therefore an element of 'trade association' in brewing that ran alongside the normal rivalrous instincts and put increasing emphasis on non-price competition.

Pricing policy, the brewers readily suggested, was out of their hands and was determined by the level of duty. From the early 1920s the brewers argued, by way of explanation to customers and tenants alike, that the price of beer was inextricably linked to the actions of the Chancellor. The chairman of Rowell's, for example, in his reports for 1921 and 1922, blamed the beer duty for the "almost prohibitive" price which "could not be reduced unless there was a remission of duty".<sup>[21]</sup> The argument of brewers was always that price-cutting initiatives could not be sustained without seriously impairing their profitability.<sup>[22]</sup>

For most of the period 1921–39 prices were kept firm. They changed only rarely when the beer duty was altered, and on these occasions they were adjusted in unison by brewers. In the North East changes were agreed by the local brewers' association and then adopted by all the region's brewers. For example, following a meeting of the federal Northern Brewers' Association in 1922, a Brewers' Federation Council was formed for England and Wales for "the purpose principally of stabilising wholesale beer prices".<sup>[23]</sup> But North East brewers felt it to be more realistic in terms of beer supply in the region to agree prices not only with neighbouring English associations but to also ensure Scottish brewers were included in any agreement. For instance, when the Scottish Brewers' Association decided to

reduce wholesale prices to free trade customers in the North East to match price levels prevailing in Scotland, the Northumberland & Durham Brewers' Association set the same prices. In the tied trade brewers fixed retail prices but recognised that wholesale prices had to be left to individual brewers who decided discounts on the basis of variations in contracts, rentals etc.<sup>[24]</sup>

It must not be supposed, however, that the apparent united action taken by the local trade association was arrived at easily. An account given by a Rowell's director to his board in 1931 suggested differences in the ranks of the local brewer's association not revealed by that association's reports. The Chancellor had increased beer duties to the extent, he calculated, of 24s per barrel on average. Some brewers felt that this was rather more like a 31s increase on a standard barrel and a 1d per pint rise (which equated with a 24s increase per barrel) would not be sufficient to meet the duty in the case of the higher gravity products. The Brewers' Society nationally recommended a minimum increase of 1d per pint and the Northumberland and Durham Brewers' Association agreed to this rise. However, before the matter was resolved there was a call by North Eastern Breweries and Vaux to maintain the existing price and phase in a gradual reduction in gravity. Their object, it was said, was to compete on prices with the Federation Brewery. Rowell's (and others, presumably) felt that this was unwise and a reduction in gravity would have deceived the public. Subsequently, it was also felt that the resolution to raise price had not been adhered to by all the members of the association. Rowell's themselves experienced a decline in takings in their managed houses and introduced smaller glasses allowing them to sell a 7d beer at 3d per glass and a 9d beer at 4d per glass. They also considered lowering wholesale prices to free houses to meet competition.<sup>[25]</sup>

On the whole, however, the competitive environment was one that embodied price stability orchestrated by voluntary trade alliance. It was in areas other than



pricing that brewers found expression for their rivalry. The chief instruments of this non-price competition were the widening range and improving quality of their product and the state of their retail premises, all reinforced by much more energetic advertising and promotion.

Competition in the product market was most evident in the field of bottled beers. Demand for such products increased markedly during the 1920s and any ambitious brewer could not ignore the growing market and therefore had to set about developing the well-conditioned, good-looking products that could compete for the 'take-home' trade. In 1928 the *Brewing Trade Review* commented on the

enormous demand for the light brilliant non-deposit bottled ale which is now becoming a most important part of the trade of many breweries. It meets the general change of public palate in respect of food and beverages and holds a number of consumers who would otherwise drink light wines and cider. The increasing preference of the public for bottled instead of draught beer is also a phenomenon which has become exceptionally noticeable and is, in our opinion, closely connected with modern conditions of living and especially transport.<sup>[26]</sup>

North East brewers, as we have seen, responded by gearing up their bottling lines to meet the requirements of the market. Cameron's, for instance, reported on the swing towards bottled beers, telling shareholders that there had been "a very marked increase in consumption of bottled ales all over the country, and our customers have not been exceptions".<sup>[27]</sup> In the first five years of the Federation's bottling operations they sold over 1½ million bottles. North East brewers were also required to extend their range to satisfy all sections of the bottled market. The Newcastle Breweries were very active in this respect: in 1931 they launched two new bottled ales to bring their range up to five and introduced further new bottled products in 1934, 1935 and 1937. Other local brewers also recognised the need to develop their own products and Rowell's, for example, in 1931 decided to "meet

local competition" with the launch of three new bottled beers.<sup>[28]</sup>

Competition was particularly keen in the North East 'take home' trade because of the strong presence not only of Scottish brewers but also those large brewers — such as Bass, Worthington and Guinness — who built up national reputations for high quality products through a system of country-wide agents and widespread advertising. For the six years up to 1939, for example, it was calculated that Bass spent a total approaching £340,000 on press advertising and Guinness spent over £800,000.<sup>[29]</sup> Some brewers continued to exploit the national advertising of these proprietary brands, being content to carry on bottling and distributing such products through their outlets. Others continued to sell these products but worked hard to develop their own substitutes. This had been successfully achieved by the mid-twenties at the North Eastern Breweries when the company secretary wrote to Bass to explain that the falling off of sales of that firm's beers was "largely brought about by other beer which has been acceptable to our customers", and informed Worthington that "I can hardly be expected to shut out our beer from our houses for the purpose of keeping your sales up".<sup>[30]</sup> At Berwick Breweries, within a few years of installing their own bottling plant, they were able to report a large rise in the sales of their own bottled ales compared to those of Bass, Worthington and Guinness.<sup>[31]</sup>

There was a minor threat to the traditional brewers' markets as some consumers appeared to be switching allegiances from beer and spirits to cider and wines. In the mid-1920s the chairman of Newcastle Breweries argued that the excessive taxation on beer and spirits "was drawing those who wished for alcoholic refreshment to wines".<sup>[32]</sup> Rising prices as a consequence of spirit duty increases were claimed to be the cause of the halving in consumption of whisky and "in place of it there has been a large increase in the consumption of foreign and colonial wines. The imports of Australian port, for instance, ... have exactly doubled".<sup>[33]</sup>

Brewers were able to protest against this tendency with an appeal to the customer's sense of patriotism and a demand for remissions in duty. By the end of the 1930s, however, there had been a rapid increase in the sales of 'British wines', causing the local brewers' association to condemn this "largely advertised, cheap and highly alcoholic"<sup>[34]</sup> drink. Worries about wine were matched by a concern for the increasing popularity of cider, which carried no duty nor was the producer required to pay a licence fee.<sup>[35]</sup>

The extent to which the growing popularity of wine and cider threatened the livelihood of brewers is debatable. Certainly, for leading brewers with a well-developed wine and spirits and cider operation,<sup>[36]</sup> these changes in the public palate may have meant a switch to another, if less lucrative, branch of their business.

#### *8.2.4 The Improved Public House*

The question of improving public houses excited considerable debate after the war and although opinions varied as to what it meant and how it was best put into effect, there was a general consensus amongst everyone except prohibitionists that licensed premises could benefit from improvement both structurally and decoratively, and also in the range of amenities they offered customers. The need for reform, therefore, was accepted by brewers, licensing justices and police; albeit for different motives. The brewers embarked upon a calculated programme of modernisation, reconstruction and new building which may have allowed them to claim social responsibility but, above all, was an astute commercial move; a recognition that substantial outlays were necessary as circumstances in the trade and the economy generally dictated that the state of licensed premises had become an important weapon in the brewer's competitive armoury. In 1934 the managing director of Newcastle Breweries judged that "in the past it may have perhaps been

possible for a good beer to sell itself, but today competition is rapidly expanding to embrace the comfort and amenities provided by the licensed house".<sup>[37]</sup>

The impetus for public house improvement is usually credited to the 1932 Royal Commission on Licensing, where it was described by *The Times* as the "key to the report".<sup>[38]</sup> Its origins, however, go back to Birmingham in the late 1890s and the Carlisle Scheme's remodelling of public houses after 1916, which was invariably held up as the example of what could and should be done. The brewing trade itself had also taken early initiatives to promote the idea. In 1917 a sub-committee appointed by the Brewers' Society put forward proposals for the enlargement of licensed houses, the introduction of more catering and wider facilities for recreation. The Brewers' Exhibition of 1920 held a display of designs and plans for improved public houses which had been submitted by a dozen firms, including Vaux.<sup>[39]</sup>

In 1928 the Brewers' Society issued an 8 page brochure entitled *The Modern Public House* to demonstrate to the general public what brewers had accomplished by way of improvement in licensed houses. The Brewers' Society had collected information from 324 breweries for the period 1923–27 which covered 47224 tied houses. Of these, 13542 had been rebuilt or improved at a cost ("quite apart from ordinary repairs") in excess of £12 millions. On the basis of these statistics the society argued that in a five year period a quarter of the houses had been improved at an average cost of around £1000 and what held for these was likely to hold for those for which no information was available. Similarly, six pages of photographs of improved houses were said to be typical of thousands of others. A follow up brochure in the same vein was issued in the following year. The Northumberland & Durham Brewers' Association posted 3000 copies of these brochures to magistrates, clergy, councillors and other public persons in the North East.<sup>[40]</sup>

From entries in the *Builder* for 'work planned or in progress' Table 68 has

been compiled to show the extent of rebuilding of old licensed premises and the construction of new licensed premises on new sites. Alterations and extensions involving substantial building work are given in Table 69. These tables show that the improvement of houses started at the beginning of the period but did not gather momentum, in the case of alterations, until the very end of the 1920s, and, in the case of rebuilding, not until the latter half of the 1930s.<sup>[41]</sup> Figures from the annual reports of Newcastle Breweries (Table 70) show that expenditure by the company on licensed houses, after an anxious time in the mid-1920s and mid-1930s, increased noticeably in the late 1930s.

Table 68 : Rebuilding and New Building of Licensed Property in the North East 1920-1939

| Brewer   | 1921 | 1922 | 1923 | 1924 | 1925 | 1926 | 1927 | 1928 | 1929 | 1930 | 1931 | 1932 | 1933 | 1934 | 1935 | 1936 | 1937 | 1938 | 1939 | Total |
|--|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|
| Newcastle Breweries  |      |      |      |      | 1    |      |      |      | 1    | 1    | 1    | 1    | 2    | 4    | 5    | 6    | 5    | 4    | 3    | 34    |
| Associated Breweries   |      |      |      |      |      |      |      |      |      |      |      |      |      | 3    | 3    | 3    | 5    | 2    | 4    | 20    |
| Jas. Deuchar   |      |      |      |      |      |      |      |      |      |      | 1    | 1    |      | 1    |      |      | 2    | 4    | 5    | 14    |
| Cameron's  |      |      |      |      |      |      | 1    |      |      |      | 1    |      |      |      |      | 1    | 6    | 2    | 2    | 13    |
| Arrol  |      |      |      |      |      |      | 1    |      |      |      |      |      |      |      |      | 1    | 2    | 2    | 3    | 9     |
| Robert Deuchar   |      |      |      |      |      |      |      |      |      |      | 1    |      |      |      |      |      | 1    | 3    | 4    | 9     |
| Rowell's   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 2    |      | 3    | 2    | 8     |
| Calders  |      |      |      |      |      |      |      | 1    |      |      |      |      |      |      |      |      | 2    | 1    | 2    | 6     |
| Allsopp  |      |      |      |      |      |      |      |      |      | 1    |      |      |      |      |      | 1    | 1    | 1    | 1    | 5     |
| Truman   |      |      |      |      |      |      |      |      |      |      |      |      |      | 1    |      |      |      |      |      | 1     |
| McEwan   |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 1    | 2    | 1    | 2    | 1    | 5     |
| J. Johnson   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 4     |
| Nimmo  | 1    |      |      |      | 1    |      |      |      |      |      | 1    | 1    |      |      |      |      | 1    | 2    | 1    | 4     |
| R. Fenwick/Younger   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 1    |      |      | 4     |
| W.B. Reid  |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 2    |      | 1    |      |      | 3     |
| John Smith's   |      | 1    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | 1    | 1    | 3     |
| Total for 9 other brewers (each building less than 3 houses over the period) |      |      |      |      |      |      |      |      | 1    |      | 1    |      |      |      |      |      | 4    | 2    | 5    | 13    |
|  | -    | 1    | 1    | -    | 2    | -    | 3    | -    | 3    | 2    | 6    | 3    | 2    | 9    | 12   | 16   | 32   | 30   | 36   | 158   |

Source : The Builder 1920-39

*Table 69 : Schemes of Additions/Alterations to Licensed Premises  
in the North East, reported in The Builder, 1920–1939*

| Year | Number of<br>Projects | Year | Number of<br>Projects | Year | Number of<br>Projects |
|------|-----------------------|------|-----------------------|------|-----------------------|
| 1920 | 1                     | 1927 |                       | 1934 | 3                     |
| 1921 |                       | 1928 |                       | 1935 | 3                     |
| 1922 | 2                     | 1929 | 6                     | 1936 | 1                     |
| 1923 | 3                     | 1930 | 11                    | 1937 | 4                     |
| 1924 | 1                     | 1931 | 9                     | 1938 | 7                     |
| 1925 | 1                     | 1932 | 7                     | 1939 | 16                    |
| 1926 |                       | 1933 | 10                    |      |                       |

Source : *Builder* 1920–39

*Table 70 : Spending By Newcastle Breweries on Licensed Houses 1921–1939*

| Year | £     | Year | £     | Year | £     |
|------|-------|------|-------|------|-------|
| 1921 | 38649 | 1928 | 23795 | 1934 | 28622 |
| 1922 | 84673 | 1929 | 48946 | 1935 | 68043 |
| 1923 | 35837 | 1930 | 41404 | 1936 | 84348 |
| 1924 | 45929 | 1931 | 47318 | 1937 | 72353 |
| 1925 | 50941 | 1932 | 53452 | 1938 | 88201 |
| 1926 | 31607 | 1933 | 31707 | 1939 | 67978 |
| 1927 | 27815 |      |       |      |       |

Source : Newcastle Breweries Annual Reports 1921–1939, Tyne & Wear Archives Service 1463/125–172, [Entries for 'Repairs and Alterations to Properties'; 'Special Expenditure on Alterations to Properties' and 'Additions to Freehold and Leasehold Properties' (Accounting methods change during the period)].

The decline in spending on construction by brewers in the early 1930s caused some alarm in the building trades. In a letter to a local newspaper one builder said that the carrying out of an extensive rebuilding and reconditioning programme had appeared to have been brought to a stop.<sup>[42]</sup> But this was to be only a temporary

slump and the policy of public house improvement was vigorously pursued with the growing encouragement of the licencing justices. Rowell's, for example, spent £30,000 on reconstructions and improvements over the four years to 1931, but by the end of the decade was spending £13000 per annum and contemplating spending considerably more. In 1935 Cameron's began a major modernisation scheme for its tied estate and in 1936 Associated Breweries reported making considerable progress in improving their public houses.<sup>[43]</sup> By 1938, a prominent North East brewer said that "the expansion of towns through municipal and private activities, the low cost of building and rising tide of trade prosperity have all during the last few years added impetus to this programme of reconstruction".<sup>[44]</sup>

However, the expenditure devoted to the enhancement of licensed premises clearly varied with the individual firm's financial position and aspirations. Thus it was that the Berwick Breweries could talk in 1936 and 1937 of large amounts being spent on improvements and repairs to properties but the new directors, following the takeover by Associated Breweries, were then unable to declare a dividend because of the "very large sums" being charged against profit for work on properties "neglected over a period of years".<sup>[45]</sup>

Analysis of entries in the *Builder* show that much of the work referred to in Tables 68 and 69 was carried out by what would be regarded as leading brewers. Of the total reconstruction and new building of premises, approximately 75% was carried out by North East brewers, 12% by Scottish brewers and the remainder by brewers based elsewhere in England. Of major alterations, brewers from within the region were responsible for 77%. This is slightly more than the North East brewers' percentage ownership and in that respect indicates a greater propensity to improve houses by brewers from within the region. Table 71 indicates, as one would anticipate, that the bulk of the activity took place in the big conurbations where the larger brewers were strongly represented and the competition more vigorous.



As brewers paid increasing attention to the improvement of their point of contact with the customer, it was only the larger undertakings which had the resources to embark on far-reaching improvement plans. Smaller brewers and private individuals did not have the finance, for example, to build houses with all the amenities – car parks, concert halls, dance halls, bowling greens, quoit grounds etc – which the better-educated, better-housed, more discriminating customer now expected. Improved transport facilities also allowed the public to travel further afield and exercise a wider choice in licensed premises. What the public house improvement process did was not only to raise standards but, because it was carried out by the larger firms, it served to ensure that in general the better, more profitable houses were concentrated in the hands of the bigger firms and thereby further increased their competitive edge.

*Table 71 : Geographical Distribution of Building and Rebuildings  
Shown in Table 68*

| Location        | Number of Projects | Location             | Number of Projects |
|-----------------|--------------------|----------------------|--------------------|
| Newcastle       | 33                 | North Shields        | 3                  |
| Sunderland      | 18                 | Wallsend             | 3                  |
| Gateshead       | 17                 | Dunston              | 3                  |
| South Shields   | 13                 | Stockton             | 2                  |
| Middlesbrough   | 12                 | Murton               | 2                  |
| Tynemouth       | 8                  | Wolviston            | 2                  |
| Durham          | 5                  | Seaham               | 2                  |
| West Hartlepool | 5                  | Other locations with |                    |
| Darlington      | 4                  | 1 project each       | 18                 |
| Blyth           | 4                  |                      |                    |
| Jarrow          | 4                  |                      |                    |

Source : *Builder* 1921–39

The larger brewers had a particular advantage with regard to the 1930s phenomenon known as the 'roadhouse'; newly—built houses on important roads towards the outskirts of conurbations, or rebuilt or enlarged wayside inns in smaller towns and villages. These were expensive undertakings but they proved popular. Around Newcastle, for example, two brewers in the forefront of improvement, Newcastle Breweries and Jas. Deuchar, erected a number of modern roadhouses. At Wolsington in 1935 Newcastle Breweries opened the Wheatsheaf Hotel to replace a much smaller roadside inn. In addition to bar and buffet there was a lounge to accommodate 200 people. Two years later, however, the successful hotel felt handicapped by not having a catering service and a new dining hall was added.<sup>[46]</sup> Similarly, at Heaton Jas. Deuchar built a public house with such features as a car park, verandahs, lawns and a wine shop attached. Very soon though an extension was necessary when the original seating for 263 people was found to be "hopelessly inadequate".<sup>[47]</sup> This kind of enterprise was only possible with the commitment of sufficient funds on the longer term investment perspective that the bigger companies could afford.

The fact that competition was moving away from the product towards the licensed house is emphasised in the advertising of brewers. Newcastle Breweries, the most prolific advertisers amongst North East firms, began to give the licensed house much more prominence. In a series of newspaper campaigns in the 1930s it featured its more prestigious houses. For instance, in 1930 it ran advertisements showing newly refurbished hotels in such places as Morpeth and Corbridge under the title of 'Ports of Call on the Open Road'. Two later series of advertisements were entitled 'Blue Star Houses' and 'Blue Star Contrasts', which detailed the rebuilding and enlargements that various premises had undergone.<sup>[48]</sup>

### 8.2.5 *Advertising and Promotion*

The new slant taken by Newcastle Breweries in advertising its houses was indicative of a growing awareness in the trade of advertising as an important marketing tool to be treated less tentatively. Advertising by the trade until the late 1920s had been described by the *Economist* as "on a small and primitive scale".<sup>[49]</sup> By the 1930s, however, brewers were spending considerable amounts on advertising with the Royal Commission putting the annual expenditure at £2 millions.<sup>[50]</sup> The accounts of individual companies do not disclose their advertising bills and there is no way of obtaining accurate statistics, and therefore estimates of the sums involved vary. Baxter, using published statistics on press advertising, calculated that the annual average spending between 1933 and 1939 in the medium was £425,000. Applying the known overall ratio for all press advertising to total advertising, Baxter found the likely total of the brewing industry's advertising costs to average around £1.4 millions annually.<sup>[51]</sup> Both Baxter's figure and the Royal Commission estimate at least give an indication of the order of magnitude of advertising and the realisation by brewers of its importance in the increasingly competitive situation.

As well as the bigger brewers pursuing their own campaigns, the trade as a whole was organising a collective approach. A campaign in favour of collective advertising by brewing firms began in the *Brewers' Journal* in 1920 and was regularly repeated with little success.<sup>[52]</sup> After the Distiller's Company received a lot of attention for the advertising it produced in 1928, there was some pressure for a similar approach to be adopted by brewers to encourage the public to "Drink More Beer". But the reaction was discouraging. The view of the *Brewing Trade Review*, supposedly speaking for the trade, was that

Unlike distilling, however, the brewing industry is carried on by a very large number of individual firms and cooperative and collective advertisement does not seem to appeal to the majority of them. Each firm prefers to advertise on its own account, and the spirit of competition runs very high.<sup>[53]</sup>

To many brewers this must have seemed a rather unconvincing argument. Despite reservations about the tactless slogan, objections based on the notion of collective advertising somehow distorting the competitive individualism of firms fell wide of the mark. Individual firms would be free to advertise their products or licensed houses in their own localities as they thought fit. The national campaign would be the chance for brewers to complement individual advertisements by collectively informing the public of the merits of beer in general and to counteract the propaganda of those hostile to the trade. This more enlightened view eventually succeeded.

In the North East a suggested pilot scheme of press publicity was prepared by the Northumberland & Durham Brewers' Association. For three weeks in 1931 advertisements were placed in the principal regional daily newspapers and 500 show cards were printed for display in licensed houses. A national collective advertising scheme was launched by the Brewers' Society in 1933 by which time the price of beer had fallen and circumstances were more propitious. J.W. Nimmo had advised the advertising sub-committee of the most suitable media for carrying the campaign in the North East. The firms were levied on the basis of output and North East brewers participated fully, although entries in the board minutes of Rowell's suggest that this firm at least was somewhat sceptical about the idea.<sup>[54]</sup> The campaign continued, however, for the rest of the decade (with occasional amendments) by which time the national bill was approaching £½ million.<sup>[55]</sup>

The collective advertising scheme coincided with an increase in consumption. Just how much the campaign contributed to rising beer sales is impossible to say,

but those in the trade, via their continued support for the scheme and through public statements, were willing to give the campaign much credit. The secretary of the Northumberland & Durham Brewers' Association argued that the campaign had "done much to broaden the basis of consumption and to remove old-fashioned prejudices against the licensed house".<sup>[56]</sup>

As well as press advertising, brewers also indulged in other promotional activities designed not only to reinforce the merits of specific products but also to enhance corporate identity generally. In this latter respect the use of trade marks was vigorously pursued. This was best illustrated by the Newcastle Breweries prominent 'Blue Star' symbol, registered in 1932 although utilised before then; but others recognised the value of trade marks to identify products and premises. Soon after its formation, for example, the Berwick Breweries commissioned designs for a trade mark, produced show cards and trays, and distributed diaries "for the purpose of advertising".<sup>[57]</sup> Another method of acquiring publicity and enhancing the reputation of a brewery was through achievements in the national competitions for beers held annually at the Brewers' Exhibition. In this way a number of North East brewers, of which the Newcastle Breweries, Rowell's and the Federation Brewery were the most successful, were able to advertise prize-winning products.<sup>[58]</sup> Other promotional activities pursued by North East brewers in the period included brewery open days, exhibitions and competitions for customers.

### **8.3 PERFORMANCE**

#### **8.3.1 *Fluctuating Fortunes***

The period 1921–39 was one of long-term decline in beer production and brewing profits, although within it were shorter spells of varying fortunes for the trade. Table 72 shows the total estimated profits for the brewing industry, based on Inland Revenue returns and given from time to time in answers to Parliamentary

Questions. Considered in conjunction with Table 60, which gives output levels for the industry, it demonstrates the fluctuations in prosperity of brewing and points to significant turning points during the period. Indeed, the first year of the period under review, 1921, was when both profits and output were at their highest. The subsequent fall in production and earnings was then followed by a few years of similar results before a slight recovery in profits in 1930–31. Output and profits then began a dramatic plunge at the depth of the depression, before recovering as rearmament began.

*Table 72 : Estimated Profits of Brewing Companies 1918–1937*

| Year    | £m    | Year    | £m   |
|---------|-------|---------|------|
| 1920–21 | 29.0  | 1928–29 | 24.5 |
| 1921–22 | 19.75 | 1929–30 | 25.0 |
| 1922–23 | 22.25 | 1930–31 | 26.0 |
| 1923–24 | 23.25 | 1931–32 | 23.0 |
| 1924–25 | 25.5  | 1932–33 | 16.0 |
| 1925–26 | 26.5  | 1933–34 | 18.0 |
| 1926–27 | 24.5  | 1934–35 | 23.0 |
| 1927–28 | 24.0  | 1935–36 | 26.0 |
|         |       | 1936–37 | 28.5 |

Source : Parliamentary Answers (H.C. Deb.5.s. Vol.236 p.2158; Vol.238 p.651; Vol.248 p.1085; Vol.276 p.1905; Vol.308 p.1973; Vol.329 p.1408).

### *8.3.2 Slump Followed by Optimism*

The economy of the North East enjoyed a brief resurgence as it emerged from the First World War, but its heavy industrial base was soon to prove susceptible to national and international economic forces. The effects of industrial depression, growing unemployment and lower wages for those continuing to work were soon being felt amongst those communities where was to be found the brewers' traditional custom. This situation was exacerbated by some long and severe

industrial disputes.

The period opened with breweries still feeling the effects of a coal strike which had stopped supplies, but most breweries held sufficient stocks of coal and coke to prevent the curtailment of production, although one brewer adapted furnaces to burn oil.<sup>[59]</sup> Beer stocks were, in any event, large and were augmented by surplus production as consumption fell. The typical view of the regional brewing firms was expressed by the chairman of North Eastern Breweries at their 1922 annual meeting, when he said that the

disastrous effects upon industry resultant upon coal strikes continued during the year, and the trade within the area of the company's operations had never previously been in such a depressed condition during the existence of the company. Industry has been at a standstill, and the consequences are reflected upon the company's operations.<sup>[60]</sup>

In a similar vein, brewers drew their shareholders' attention to the impact of unemployment. The chairman of Arrol's, with about 60% of their business conducted in the North East, spoke of sales being "materially affected by increases in unemployment in mining, engineering and shipbuilding industries", and at a later date, that "the company had a large number of houses situated in Jarrow and adjoining Armstrong's works, where only about one-third of the normal number of people were at present employed".<sup>[61]</sup>

The overall decline in prosperity of the brewing industry can be seen in Table 72. North East firms also experienced this setback after the initial restoration of unlimited brewing, which had stimulated bigger profits, was followed by the increased beer duty in 1920. W.B. Reid, for example, suffered a 48% cut in profits in 1921–22, and at Nimmo's a record output of 42,000 barrels during the post-war boom was halved in 1922.<sup>[62]</sup> A survey of twenty-seven of the most important brewery companies in 1922 reported reduced profits for nineteen and singled out

Newcastle Breweries for its very marked decline of 35%.<sup>[63]</sup> This gloomy picture of the industry was one which brewers, faced with public hostility about prices, continually reinforced. However, the *Statist*, after surveying published accounts, pointed out that the industry had been harmed to a smaller extent than any other business. The reason was "to be mainly attributed, not as has been suggested, to superior management or improvement in efficiency, but to the relative inelasticity of demand and to the firmness in the price of brewing materials".<sup>[64]</sup>

The poor position of the brewing industry, therefore, was relative. Certainly it was worse than the industry's buoyant pre-war days, but better than most industries fared in the slump. Given the economic situation generally, the brewers did well to maintain their profits at a reasonable level; a view confirmed by a 1923 survey<sup>[65]</sup> and also recognised by local brewers. The chairman of Rowell's, for instance, could submit in 1922 a "very satisfactory account" of the company's trading and declare 1923's results as "highly satisfactory".<sup>[66]</sup>

The question of profitability had caused some public discussion in the 1920s because of excessive price levels. There had been a threatened consumer strike but the official boycott of beer initiated by the dockers section of the Transport and General Workers' Union did not materialise in the North East.<sup>[67]</sup> The brewers were, however, forced onto the defensive and felt it incumbent upon themselves to answer complaints about high prices. The Club & Institute Union suggested in early 1922 that, leaving aside the issue of taxation, the commercial brewers were in a position to reduce the price they charged clubs by at least 10s per barrel. Since prices had been fixed in 1920, it was stated, the cost of all inputs had fallen, the most important reductions being :



Railway rates

Horse and Motor Transport (wages of drivers in many cases reduced by 15s weekly)

All brewery workers wages reduced (averaging 10s weekly)

Barley from £6 10s per 448 lbs to £2 15s

The same barley made into malt from £7 10s (336 lbs) to £3 15s.

Sugar from £3 5s per cwt to £1 5s<sup>[68]</sup>

The Brewers' Society responded by repeating the argument that the level of taxation did not permit price cuts but that "most brewers of any standing were determined ... to pass on the benefits of cheaper materials and lower wages by improving the quality of their beer".<sup>[69]</sup> It was certainly the case in the North East that wages were cut for brewery workers, whilst materials, after rising at the very beginning of the period, fell again. When a local brewer was challenged in 1922 as to why prices had not been altered to reflect falling costs, he argued that they were still using raw materials bought before the slump.<sup>[70]</sup> The chairman of Rowell's chose a longer time span to argue that

if they eliminated the beer duty, the actual increase in price to the consumer showed an increase of about 60% as compared with pre-war rates. The average cost of malt showed an increase of from 89% to 90%; hops were upwards of 250% dearer and brewery wages about 100% higher than they were in 1914. Standing charges were also heavier.<sup>[71]</sup>

This statement, and similar ones made by spokesmen for other brewing companies, bore a striking resemblance to a memorandum issued to press and parliamentarians by the Brewers' Society entitled *Why the Price of Beer is High*. After calculating the real increase in beer since the war (ignoring taxation) to be around 60%, it considered whether such a price rise justified a charge of profiteering. It was acknowledged that it "is true that until recently brewery company profits have not been unsatisfactory and in many cases increased dividends have been paid, and, after all, shareholders, like employees, have had to meet the increased cost of existence generally". However, it stated that malt had risen by 82% and hops by

254%, and

The prices of other brewers' requirements, including fuel and lighting, machinery, casks, transport, repairs, rates etc., have very largely increased, and wages and salaries are still higher by 70% or more than was the case before the war. In addition to the enhanced costs of production and wholesale distribution, similarly heavy increases in the cost of retail distribution have had to be met.<sup>[72]</sup>

The memorandum also added that overhead charges had stayed practically constant. Engaged in this propaganda exercise, the brewers had not only to persuade the public that price falls were still dependent upon tax cuts, but had to convince the Government that any reduction in tax would have to be of sufficient magnitude to trigger a fall in price. When it was suggested in various quarters that brewers should be able to manage a 1d price cut as a result of a  $\frac{1}{2}$ d fall in taxation, Nicholson of Vaux wrote to *The Times* to explain how this was not possible because

the brewer whose trade is largely in the more expensive beers — i.e. whose gravity exceeds 44 — may be able, as well as reducing the price by 1d, to give a rather better gravity article to his customers. On the other hand, the brewer whose trade is largely in the cheaper beers — i.e. whose average gravity is less than 44 — must suffer loss in order to reduce his price by 1d. And in many districts where the hardship of the price of beer is most severely felt, it is cheaper and lighter gravity beers which are generally consumed.<sup>[73]</sup>

A price fall did eventually take place in 1923. In lengthy talks with the Treasury, the Brewers' Society had said that a reduction in taxation was necessary to the extent of 2d per pint. It was subsequently announced that a rebate of 20s per bulk barrel was to be granted on the condition that the brewers would reduce the price to the consumer by 1d per pint and maintain existing gravities. In carrying out their part of the bargain the brewers were to sustain a loss of 4s per barrel after receiving the rebate. Nevertheless, individual firms were urged to accept this undertaking by their trade association.<sup>[74]</sup>

The loss sustained by the brewers as a result of their undertaking given to the Chancellor was to be compensated, it was thought, by the additional sales the price reduction would stimulate, and the financial press ventured that the "sacrifice is not likely to have any effects on profits".<sup>[75]</sup> But the increased sales reported by brewing companies proved disappointing. North East brewers, such as Newcastle Breweries and the North Eastern Breweries, told shareholders that increased output did not increase to the extent anticipated. Rowells' increase in output for the financial year 1923–24 was 6% up on the previous year, but the national increase was 6.7%.<sup>[76]</sup> Yet given the degree of unemployment in the region North East firms could comfort themselves with the thought that their results were reasonably good. The main worry for commercial brewers was the Federation Brewery reporting considerably increased output, allowing its secretary to boast that "many brewing firms were in a serious predicament while as an organisation of clubs they had stepped in and showed increasing results".<sup>[77]</sup>

By the end of 1924 there were signs of optimism in the trade. In the Budget of 1924 the brewers gained around 4d per bulk barrel as a result of the halving of the sugar duty, and the chairman of North Eastern Breweries was able to tell shareholders that

the licensing trade throughout the country had been favoured with a greater degree of prosperity during the year than they had had for some little time and there were indications that better trade in general might now be anticipated with the establishment of more confidence and stability and security.<sup>[78]</sup>

The financial press could talk of brewing companies being in an "enviable position".<sup>[79]</sup> By the mid-twenties, North East firms were displaying better results. Although beer sales for the North East compared unfavourably with figures for the rest of the country, companies could show slight improvements in turnover

and often substantial increases in profits. Rowell's profits for 1925 were 58% up on those for 1923 and W.B. Reid's profits were up 20%. In 1925 Jas. Deuchar reported a 28% increase on the year. Nationally, although 1925's output was down by 22%, profits fell by only 12% (see Tables and 60 and 72). In the North East by 1925 most brewers were paying larger ordinary dividends than in the previous years. Cameron's were paying 20%, R. Fenwick 17½%, Rowell's 17½%, North Eastern Breweries 15%, Jas. Deuchar 40% and R. Deuchar 10%. Only W.B. Reid (10%) and Newcastle Breweries (8%) were paying lower dividends than a year before.<sup>[80]</sup>

Improved results of brewing companies raised again the question of costs and prices. The free-trade licence holders having to operate on gross margins of 25% and finding it difficult to meet all expenses, mounted a campaign for greater discounts, saying that

during the war years malt was costing between 170s and 180s a quarter, while today, between 30s and 40s. Since then men's wages have come down, railway rates down, half of the supertax had come off, sugar tax had been reduced, corporation tax abolished. Licence holders had not participated in any of these benefits.<sup>[81]</sup>

The brewers themselves, however, repeated earlier claims that profit margins could not sustain a decrease. For North Eastern Breweries, the chairman argued that the working man should have a reduction in the price of beer but a 1d reduction would wipe out half their profits.<sup>[82]</sup> The onus was thrown back on the Government. Newcastle Breweries pointed out that in 1924–25 it had paid — in beer duty, wine and spirit duty, rates and taxes, corporation profits tax, compensation fund charges — around half a million pounds. Rates were again singled out a year later when they had risen from £9194 in 1914 to £27917.<sup>[83]</sup> Independent commentators took a more sceptical view. The *Statist*, for example, reported that

sales have doubtless been smaller than in 1921, but the margin of profit must have been higher in view of the fact that prices have remained practically unaltered despite large savings which have been effected, not only in the cost of raw materials and carriage, but in working expense.<sup>[84]</sup>

Indeed, some brewers admitted to lower costs<sup>[85]</sup> and, despite their protests about taxation, consumption had started to rise again and profits were growing.

### *8.3.3 Decline*

Any hopes of an improvement in fortunes were dashed in 1926 by the General Strike and the coal stoppage that followed. Nor did the revival materialise when the disputes were settled.

The trade press played down the impact of the General Strike on the brewing industry, saying that it had passed "without grave trouble or serious inconvenience".<sup>[86]</sup> The Northumberland & Durham Brewers' Association, however, reported "considerable difficulties"<sup>[87]</sup> being experienced by local firms. These arose from the disruption of transport operations when union drivers struck and picket lines held. The pattern of disruption was nevertheless patchy and the picture was also obscured by initial confusion amongst trade unionists as to whether beer was classified as a foodstuff. Local press reports are not entirely clear and brewery chairman naturally attempted to minimise the effects on their own firms. The secretary of North Eastern Breweries wrote to his chairman to say that "our drivers and assistants, in fact all the men in the brewery, have behaved most loyally all through the trouble. We have not had one man absent." One newspaper reported Sunderland unaffected by the strike but the letter went on to say that

We are, I think, the only brewery firm in this district that have practically all their deliveries carried out and their waggons running. Vaux's have been in a very bad way, all their drivers struck and refused to go on to the waggons.<sup>[88]</sup>

It seems that some deliveries were made in Sunderland by brewers from outside the town but these imports quickly came to an end. Draymen were also reported to have stopped the distribution of beer in Hartlepool, but Newcastle Breweries told the press that they had, with the help of volunteers, delivered beer to different districts, although pickets outside some public houses refused to allow it to be put into cellars.<sup>[89]</sup> The brewery was able to carry on "under almost normal conditions"<sup>[90]</sup> when some staff returned to work before the official end of the strike.

It was the impact of the continuing dispute in the mines that badly hit brewers in the North East. The larger firms had looked to the colliery districts for a considerable part of their trade and here the purchasing power of large sections of the community was severely reduced. A 42% fall in Rowell's profits was put down to the "regrettable and futile coal strike".<sup>[91]</sup> Other brewers experienced reduced profits in the accounting periods which covered most of 1926. For example, Newcastle Breweries' profits dropped by 52%, W.B. Reid's by 32%, Cameron's by 27% and North Eastern Breweries' by 22%.<sup>[92]</sup> The region certainly seems to have suffered worse than most others. This is confirmed by a survey by the *Economist* in early 1927 of some recently published brewing companies' results. Demonstrating what the *Economist* called "the astonishing vitality of the brewing trade"<sup>[93]</sup> the figures showed that twelve of the seventeen brewing companies reported increased earnings. The remaining five, however, were in the North East and the Rhondda Valley, thereby demonstrating equally vividly the extent to which brewery company results could be hit by labour troubles in their major areas.

The events in the mid-1920s seem to have had a cathartic effect on the North East brewers as they were forced to come to terms with the new circumstances and adjust expectations accordingly. With local business activity remaining in a depressed state, the consumption of beer continuing on its downward

path and the various counter—attractions making their presence felt, brewers now judged their performance in the context of the times. The directors of the Alnwick Brewery Co., for instance, said in 1928 that they "did not think that the company need look with any concern on the balance sheet. In these times ... they ought to be well satisfied."<sup>[94]</sup> By 1929 a similar performance was described as a "successful year's trading."<sup>[95]</sup> At Rowell's the profit for 1927 was only a 6% return on capital employed, but this was nevertheless a 22% increase on albeit a very modest 1926 profit. In 1929 Rowell's output was on the same level but the company took pleasure in "receiving its fair share of patronage".<sup>[96]</sup> Looking at the trade nationally in 1928 the *Economist* declared that

whatever the outlook in the trade in the more or less distant future, there can be little doubt but that the average standard of brewery management has improved since the war. Despite the shrinkage in output, profits have attained and maintained prosperity levels ... Earnings figures reflect the stability, with a moderate upward trend, which characterises the results of the best brewing concerns at the present time.<sup>[97]</sup>

A year later, a survey of the results of brewing companies showed that profit levels for 1928 had been maintained through 1929 in "practically every case".<sup>[98]</sup> The total profits of the brewing industry for 1930 were 23% down on 1920's level but in the intervening years output had fallen by some 28% (Tables 60 and 72), an indication that the industry was performing well under the circumstances. Much optimism about brewing came from outside the industry, generated by investors and the interest shown on the stock market. Brewery shares found favour, it was said, because of

the sustained change for the better in the financial position of all concerns since the bad days before the war; on the gratifying consistency of earnings during the last few years; on the conservative financial policy which had resulted in the putting back of large annual sums into various businesses; and on the vitality shown by the food and drink trades as a whole.<sup>[99]</sup>

This view seems to have held despite the uncertainty by 1929 of an approaching general election, the Labour Party's intention of appointing a Royal Commission and the Liberals' policy of 'local options'. When Newcastle Breweries reported their fourth consecutive rise in profits and dividends in 1929 the *Newcastle Daily Journal* seized upon it as a reflection of "the steady improvement in the industrial position of the North".<sup>[100]</sup> The pattern of dividend declarations of other North East brewers, however, does not necessarily display a consistent trend (Table 73).

*Table 73 : Ordinary Dividends declared by some North East Brewing Companies 1926–1930*

|                         | 1926<br>% | 1927<br>% | 1928<br>% | 1929<br>% |
|-------------------------|-----------|-----------|-----------|-----------|
| Newcastle Breweries     | 4         | 5         | 6         | 8         |
| Rowell's                | 14        | 10        | 12½       | 12½       |
| North Eastern Breweries | 11¼       | 7         | 16        | 16        |
| R. Fenwick              | 10        | 15        | 12½       | 12½       |
| R. Deuchar              | 15        | 10        | 10        | 10        |
| Jas. Deuchar            | 35        | 35        | 30        | 25        |
| Cameron's               | 11½       | 12        | 12½       | 12½       |

Source : *Stock Exchange Official Intelligence* 1926–1930

By 1930, however, the stock markets were showing signs of doubt. Brewery share prices had fallen by an average of between 10 and 15%, comparable with falls in the price of other stocks, but nevertheless casting doubt upon the continued earning power of breweries. The instincts of investors were confirmed by results from within



the trade. In 1930 the chairman of Rowell's spoke of his belief a year earlier that they were on the eve of a more prosperous era but how that promise had not now been fulfilled and the company had to report a disappointing year.<sup>[101]</sup> The Alnwick Brewery Co. reported reduced profits and Rowell's profits' fall was attributed to "reduced turnover and an inability to reduce in proportionate ratio the standing charges and working expenses".<sup>[102]</sup> The one clear success story was the Federation Brewery. In 1930 its sales were up 11% on beer and 9% on spirits, it had increased the interest paid to shareholders to 7½%, and was paying dividends of 6s per barrel on purchases.<sup>[103]</sup>

#### **8.3.4 *Depression***

The early years of the 1930s were the worst years brewers had experienced, with no brewer, local or national, being able to avoid some drop in turnover between 1931–33,<sup>[104]</sup> when national consumption fell by 30%. An emergency Budget in 1931 pushed up duty by 31s to 114s, which effectively put 1d on a pint of beer. The local brewers' association echoed the industry generally when it called Snowden's measure a "crippling and unexpected impost".<sup>[105]</sup> The instinct of the trade was to assume that nobody would be willing to pay the increased price and therefore sought ways round it. In some cases smaller glasses were introduced and drinkers paid the old price for a smaller measure. Some brewers created new, lower gravity beers to sell at old prices. Trade organisations were also spurred into new efforts in their campaign for a revision of liquor taxation. Resolutions, petitions and lobbies of MPs were used, and around 30,000 pamphlets and posters were distributed by the National Trade Defence Association in its Northern District. For the Northumberland and Durham Brewers' Association it was a case of "the disastrous effects of the increased beer duty have overshadowed every question affecting our industry".<sup>[106]</sup> Any anxieties about the Royal Commission took a back seat and

when the majority report appeared it was regarded with relief rather than any sense of alarm.

Brewing firms were rocked by what the Alnwick Brewery Co.'s chairman called "the thunderbolt" of the additional tax and prophesied that "considering the dole money had been reduced by 10%, the trade had been abnormally bad, especially through the North of England ..., every brewery in this particular area would have had a very strenuous time".<sup>[107]</sup> A year later the same company was reporting the considerable effects of the increase in beer duty which had reduced the quantity of beer sold by  $16\frac{3}{4}\%$ , which the chairman argued was the same magnitude as the fall in purchasing power of the general public. However, returns from the company's houses showed that they had lost custom rather than customers, as they continued to sell the same number of glasses of beer but in the by now, more popular smaller measures.<sup>[108]</sup> Annual returns for other brewers confirmed the duty's impact on sales: Rowell's reported a "great diminution in output" and Associated Breweries spoke of the "disastrous effect upon brewery output".<sup>[109]</sup> Vaux discharged some of their employees as a consequence of the Budget decision on the beer tax. The company's managing director said they had foreseen the damage the rise in beer duty would do at the time of its imposition, but had persevered with manning levels convinced that the tax would be lifted within six months. The serious nature of the beer duty's impact was evidenced by the size of ordinary dividends declared by firms. (Table 74). The Federation Brewery felt itself to be the only brewery in the country that increased its turnover in the first half of 1933.<sup>[110]</sup>

*Table 74 : Ordinary Dividends declared by some  
North East Brewing Companies 1930–1932*

|                      | 1930<br>% | 1931<br>% | 1932<br>% |
|----------------------|-----------|-----------|-----------|
| Newcastle Breweries  | 8         | 6         | 0         |
| Associated Breweries | 10        | 8         | 4         |
| Cameron's            | 6½        | 3         | 2         |
| Rowell's             | 12½       | 5½        | 3½        |

Source : *Stock Exchange Official Intelligence* 1930–1933.

The tax yield in the first year of the new beer duty was less than half that predicted by the Chancellor. A resulting rethink was embodied in the 1933 Budget. The old method of levying duty was scrapped; the standard barrel was abolished and a new method of calculating duty was introduced. A new scale, based on the bulk barrel, effectively reduced the old duty by 34s per barrel. But the Chancellor again secured undertakings from the brewers. This time there was to be a 1d price reduction, a raising of gravities by at least two degrees, and the utilisation of as much home-grown barley as possible in the brewing process. North East brewers welcomed the price reduction, the chairman of Newcastle Breweries' reaction was typical :

It is now possible to buy for 6d per pint better beer than previously sold at 7d per pint. The reduction is bound to be of great benefit to brewing and allied trades. Owing to present economic conditions it will be impossible to get back all the lost trade at once, but although beer is still overtaxed, we now have a chance of making some headway, whereas before we had none.<sup>[111]</sup>

The price reduction did indeed retard the decline in beer consumption, which rose by 12% on bulk barrels in 1934 after its 14% fall in 1933 (Table 60). Dividend declarations for North East brewers in 1934 were up on previous years, firms

reported increases in production and the Alnwick Brewery Co. observed that the "reduction of tax brought people back to the full pint from a reduced pint",<sup>[112]</sup> making a difference to bulk turnover. Figures available for Rowell's (Table 75) show a recovery in trading profits across the company's four departments in 1934. Nevertheless, the optimism of 1934 could not mask a continuing fall in turnover and overall decline in the profits of three of the company's activities across the period 1931–34. Similarly a 47% rise in the net profits of Jas. Deuchar's Newcastle and Sunderland-based operations in 1934 still meant a 14% drop over the period 1931–34.<sup>[113]</sup> However, brewers were encouraged by their 1934 results as the level of activity increased, unit costs declined, and the improved financial outlook allowed brewers to look towards increasing expenditure on public house improvement. By the end of 1934 the regional brewers were anticipating better results as the recovery in the economy advanced.

*Table 75 : Profits of John Rowell Ltd. 1931–1934*

| Year | Brewery Profits<br>£ | Wine and Spirits<br>£ | Managed<br>Houses<br>£ | Bottling<br>£ |
|------|----------------------|-----------------------|------------------------|---------------|
| 1931 | 24149                | 1099                  | 8210                   | 2048          |
| 1932 | 20140                | 1278                  | 2503                   | 1579          |
| 1933 | 14204                | 502                   | 1033                   | 1263          |
| 1934 | 16620                | 1871                  | 3275                   | 1475          |

**Source :** John Rowell Ltd. Shareholders Minute Book 15.5.1929–2.9.1960, Tyne & Wear Archives Service 2319/1.

### 8.3.5 *Recovery*

Although there was a general recovery in the trade in the mid-1930s, the North East region at first enjoyed only a slight share in this. A survey at the end of 1935 considered thirty leading companies outside the 'depressed' areas and thirty-three inside. This latter group included twenty-two situated in 'Northern industrial districts' and the general level of earnings for these was well below those outside the depressed areas. Of this twenty two

only 5 have recorded rates in excess of 20% since 1928, and 14 report rates of less than 15%, while two have yet to show earnings on ordinary capital since the depression years. In contrast, 30 of the companies outside the depressed areas; five only failed to record more than 20% during the past seven years and only one less than 10% last year, while as many as 25 earned more than 15% last year.<sup>[114]</sup>

During 1935, when beer consumption rose nationally by around 5%, Rowell's experienced "no material improvement in County Durham".<sup>[115]</sup> However, North East brewers did display some noteworthy improvements. Newcastle Breweries' profits for 1935 were the highest for eleven years and seven times those for 1932, and the company's ordinary shares, which were down to 20s on the stock market in 1934, were up to 48s 6d by the end of 1935. Cameron's, who had suffered less than some neighbouring firms during the depression, recovered well and other companies, for example the Alnwick Brewery Co. and Robt. Deuchar, reported better results.<sup>[116]</sup>

By 1936 rearmament was starting to bring economic benefits and wages were rising. Whilst the fiscal requirements of rearmament put paid to any hope of tax reductions, industrial conditions in the North East, particularly in steel and shipbuilding, continued to improve. Brewery companies began to report better results. Newcastle Breweries' profits were up 25%, Robt. Deuchar's by 30% and

Rowell's output increased some 17% against the national rise of less than 3%, which for the chairman was "fairly conclusive proof that the trade, following increased employment, is beginning to flow our way".<sup>[117]</sup>

By 1937, despite fears about increased rating assessments and the underlying long-term trend in consumption, brewery companies were announcing better results than most other industries and their shares were consistently canvassed as worthwhile investments. The lagged revival of the North East economy had now become an established fact and, like brewers elsewhere, those in the region felt the benefit of the steady upturn in demand, no significant increases in input costs and the advantages of rationalisation of production. Rowell's, for example, reported on the continuance of trade recovery and a steady upward trend in business. Jas. Deuchar showed a 21% increase in profits and the Newcastle Breweries' profits were up by 30% to reach their highest ever figure.<sup>[118]</sup> Table 76 gives the profit record for Rowell's and shows the improvement in fortunes in all departments in 1937, although the wine and spirit performance was largely attributable to the bulk sale of spirit stocks.

*Table 76 : Profits of John Rowell Ltd. 1935–1939*

| Year | Brewery Profits<br>£ | Wine & Spirits<br>£ | Managed Houses<br>£ | Bottling<br>£ |
|------|----------------------|---------------------|---------------------|---------------|
| 1935 | 17147                | 1506                | 4318                | 148           |
| 1936 | 15941                | 3885                | 4602                | 1664          |
| 1937 | 20066                | 6441                | 8842                | 2836          |
| 1938 | 22086                | 1012                | 13925               | 3671          |
| 1939 | 22834                | 4979                | 11692               | 3234          |

Source : John Rowell Ltd. Shareholders Minute Book 15.5.1929–2.9.1960, Tyne & Wear Archives Service 2319/1.

By 1938 local brewers had continued their improvement. Newcastle Breweries' profits leapt by another 25% and the Associated Breweries recorded further progress with net profits of £111,023 following the previous three annual totals of £100,045, £82,411 and £76,651. For the 1200 employees of Associated Breweries (including Vaux, North Eastern Breweries, Berwick Breweries and Lorimer & Clark) there was a bonus of one week's additional wages.<sup>[119]</sup> The trade, of course, still felt the beer duty to be too high, but further pressure failed to reduce it. In fact, in 1939, the beer duty went up 24s per bulk barrel, the equivalent of 1d per pint.

The years 1938 and 1939 had also been years of increasing material costs.<sup>[120]</sup> Brewing materials, especially malt, had begun to cost more. Since the 1933 budget the trade had responded to the Government's exhortation to use as large a proportion of home-grown barley as was possible. Before 1933 brewers malted barley from a range of sources : an advertisement for Newcastle Breweries' pale ale listed the barleys used as coming from Australia, India, California, Czechoslovakia, the Mediterranean, Norfolk and Northumberland. By 1939 the brewery was using almost all British barley, although it was "necessary in some cases to use a little foreign barley — mostly Californian — in the making of light beers".<sup>[121]</sup> It was clearly impossible for firms to brew some of their beers without recourse to some foreign barley but the willingness by brewers to use as much home-grown barley as they could did leave them open to the vagaries of the domestic climate and the fluctuation in harvests and price.

Companies increased sales as the armaments programme increased industrial activity in the region and the brewing trade again demonstrated the traditional correlation between its own performance and levels of employment. Associated Breweries, for instance, with its houses clustered in the iron and steel districts of Middlesbrough and Consett, the shipbuilding area on Wearside and coalfields in Durham, benefited from the preparations being made for war. The pattern of

improved results can be observed in the profits records of Cameron's, Newcastle Breweries and Rowell's (Table 77). The dividends declared by all three companies rose steadily between 1934 and 1939. The period was also a profitable one for Jas. Deuchar: profits from the business done by the firm on Tyneside and Wearside rose by 47% over the period 1935–39, and 94% of the company's North East managed houses were showing profits as against only 67% in 1933.<sup>[122]</sup>

*Table 77: Profits of J.W. Cameron Ltd.,  
Newcastle Breweries Ltd., and John Rowell Ltd. 1934–1939*

| Year | Camerons'<br>Profits | Newcastle Breweries'<br>Profits | Rowell's<br>Profits |
|------|----------------------|---------------------------------|---------------------|
| 1934 | 66,155               | 100,283                         | 7,710               |
| 1935 | 72,400               | 109,015                         | 8,396               |
| 1936 | 88,165               | 139,770                         | 10,176              |
| 1937 | 110,463              | 175,915                         | 21,145              |
| 1938 | 112,639              | 218,938                         | 23,220              |
| 1939 | 119,008              | 249,355                         | 24,451              |

Source : *Statist* 6.1.40; Newcastle Breweries Ltd. Cards Recording Dividend paid on Ordinary Shares and Net Profits 1890–1947, Tyne and Wear Archives Service (TWAS) 1463/287; John Rowell Ltd. Shareholders Minute Book, TWAS 2319/1.

Nonetheless, it was the Federation brewery that continued to outpace its rivals with sales records eclipsed annually. Although it did, of course, start the period from a much smaller base – in 1921 average weekly output was only 121 barrels – it was able to increase its output until it averaged 1500 barrels per week in 1939. By that time the brewery was employing over one hundred people on wages above the norm for the industry, was reporting half-yearly profits of £32,858, and had spent £167,112 since moving to the new brewery in 1930 on extensions, new plant and vehicles.<sup>[123]</sup>



#### 8.4 SUMMARY

For breweries, the period 1921–1939 was one in which the impact of the general economic climate was further aggravated by features peculiar to the brewing trade. The long term decline in beer consumption, the growing popularity of counter–attractions and the increasing use made of clubs demanded a strategic response from the trade that reflected the changing nature of competition. The brewers, therefore, channelled their competitive efforts into developing bottled products, improving the standards and services offered by their licensed houses, and advertising more aggressively. In terms of performance, the inter–war years were often difficult and disappointing. However, a new realism tempered the brewers' expectations and there was some recognition that the trade fared better than many industries.

## *CONCLUSION*

## *CONCLUSION*

The preceding chapters have described the development of the North East brewing trade in the period 1869–1939. We must now consider what conclusions can be drawn from this study: what generalisations can be made which encapsulate the key elements of change within the region's brewing trade, and its relationship to brewing in general and British industry as a whole. Before doing so, however, we should perhaps pause to consider a fundamental question about our ability to generalise, even on the basis of case material.

What we have done throughout this investigation is to consider in detail some aspects of North East brewing by utilising a variety of documentation. But the specific case material used was not, strictly speaking, chosen from a much larger body of documentation in order to present what could be regarded as a representative sample: it selected itself, in the sense that there was only a limited range of archive material or primary sources available. There was a wider range of sources from which to consider the overall context and broad shape of the region's brewing trade, yet doubts must remain about the degree to which those regional firms used as specific examples are typical of the whole North East population of brewers. This question mark over the representative nature of the brewers cited looms larger at the beginning of the period under scrutiny, when the number of participants in the industry was great and original records exist for what was only a very small fraction. However, as we move through the period when the overall numbers in the trade are significantly reduced, the firms for which case material is available constitutes a much bigger proportion of the total firms operating. By this stage therefore, we are drawing on examples from amongst those firms which have emerged as pre-eminent in the North East trade. There is therefore a bias, but it is a bias towards that core of survivors that formed the region's brewing trade at the end of the period. This bias towards success and survival has been acknowledged

from time to time in the main body of the thesis.

A related question surrounds generalisations about the trade nationally, principally about how much national surveys have relied on a sample of leading brewers or leading brewing areas and the extent to which they may have excluded provincial centres or regions comparable with the North East. It is beyond the scope of this thesis to test how representative statements made on the national trade were, and we have to accept them as being indicative of the general trend or as contemporary views of the position of things in the trade at a particular time. We therefore acknowledge all the dangers inherent in seeking to reach general conclusions and remain vigilant towards what Mathias, with reference to retailing, called "blanket observations passing current in the absence of case histories". We proceed in the belief that we can meet that same writer's hope that "firmly-based generalisations will evolve".<sup>[1]</sup> In doing so we accept that some conclusions are reached more confidently than others and that conjecture has a role in some of the more tentative generalisations.

Whatever the complex dynamics at work in the development of the brewing industry during the period, we can identify the most obvious result as one of economic concentration. It has been said that "the tendency to increasing industrial concentration is one of the better attested facts of the recent economic history of most economically advanced Western countries".<sup>[2]</sup> This was clearly the case in the brewing industry nationally, where the number of brewers fell faster than output in the seventy year period, and also in the North East. Geographical concentration accompanied this numerical concentration (Table 78). The pattern in brewing, and repeated elsewhere across a whole range of industries, was one of a fragmented structure consisting of mainly small operators evolving into an industrial structure dominated by a reduced number of larger-sized companies. This being the unquestionable outcome of seventy years evolution, what can we conclude about the

manner in which it occurred and the motivation of the prime movers? We can state straightaway that this process of concentration involved to some degree firms which (whether through voluntary or involuntary means) relinquished their place in the market but also, more noticeably, concentration intensified as the more dynamic participants in the trade grew more quickly, combined with each other and absorbed lesser rivals.

*Table 78 : Number of Brewers operating and Number of Locations where brewing was carried on in the North East, 1869–1939*

| Year | Number of Brewers | Number of Different Locations |
|------|-------------------|-------------------------------|
| 1869 | 152               | 59                            |
| 1890 | 80                | 43                            |
| 1914 | 39                | 21                            |
| 1939 | 15                | 8                             |

Source : As Tables 4 & 30 and Chapter 7, Section 7.2.2.

We can say with some confidence that many of the factors at work in manufacturing enterprise during the nineteenth century were also at work in the main brewing centres and, on a smaller scale, in the North East branch of the trade. Hannah's work shows that British manufacturing industries of the 1870s still possessed "a multiplicity of what, by modern standards, would be considered small firms"<sup>[3]</sup> and although there had been some large firms in brewing nationally in the first half of the century,<sup>[4]</sup> Hannah's description fits the state of brewing in the North East. In 1870, as we have seen, the region's trade contained some well-established, factory-based operations of limited size but was nonetheless dominated by smaller, craft-based brewers. In addition, the publican brewers remained important and the geographical distribution of production facilities was still widespread. In the two

decades up to 1890, however, there was a rapid fall in brewers' numbers (both nationally and regionally); a change almost entirely attributable to closures amongst small brewers. Nevertheless, North East brewing was still heavily populated (at least in the numerical sense) by small brewers, but was by now a more geographically concentrated industry.

As the nineteenth century drew to a close the process of concentration in British industry gathered pace, and it did so in brewing also. In the North East between 1890 and 1914 the number of brewers fell by more than half; a reduction which mirrored the overall pattern for the country as a whole. The North East decrease in numbers can be explained by the almost equal impact of small firms leaving the trade and the other influential dynamic of merger and takeover. Whilst the timing and circumstances of some deaths amongst small firms may be obscure, the formal, legal combination and absorption amongst surviving firms was well-documented in some company records, the local press and trade journals. The outcome was a less fragmented geographical distribution with a much heavier concentration of the region's beer production, as well as breweries, in the major urban areas. We are able to come to this latter conclusion because, by the end of the nineteenth century, there was available enough of a range of information on capital structures, annual results and capacities to indicate the relative sizes of a number of the surviving and disappearing brewers.

The forces of structural change were held in abeyance during and immediately after the First World War, such that by the beginning of the 1920s there was a somewhat uneasy presence of some small, unmodernised breweries alongside larger, more progressive firms. But the tendency towards greater concentration resurfaced in manufacturing industry in general, with merger activity described as "intense both in aggregate and in the history of individual corporations".<sup>[5]</sup> The brewing industry followed suit, but in miniature,<sup>[6]</sup> although

there were several amalgamations amongst the larger companies in the country. In the North East the inter-war concentration process via takeover and merger was to be seen in the weft and weave of the various ownership changes that were the immediate pre-history and post-formation growth of the Associated Breweries Ltd.

Concentration did not occur, of course, in a vacuum. It happened when circumstances — be they technical, commercial, financial or legal — offered the economic benefits of large scale. The transformation of industry during the nineteenth century is traditionally explained by the introduction of new (usually steam-powered) technology to manufacturing processes and the encouragement of factory-based production on a greater scale.<sup>[7]</sup> Although this argument is more readily recognisable in those industries with more potential for mechanisation such as cotton textiles, the development of the brewing industry can be seen to follow the same path, if a little way behind. By 1869 the brewing trade was starting to recognise the potential offered by science and technology, and the quickening rate of patent registration after the mid-nineteenth century points to the increasing emphasis on innovation in some aspects of brewing. However, for the North East at this time there is very little concrete evidence of the degree of technical development within brewing practice, save for some limited information on the use of steam engines. For later years there is a good deal of individual case material signifying much activity within the region devoted to the redesign, reconstruction and replacement of brewing facilities. After 1880 especially, stress was placed on the design and layout of buildings, with North East brewers joining brewers in other areas in their adherence to the use of gravity and the tower principle. Similarly, the regional firms appeared to follow the national pattern in the adoption of refrigerating and other machinery, the improvement of water supplies and the installation of more powerful steam engines. This impetus continued into the decade before the First World War as the potential contribution of engineering and

electricity was exploited. Improvements were also being introduced into the malting process and technology was increasingly being deployed in the area of mineral waters and the bottling of beers.

After the hiatus created by the war, the more significant technical developments occurred not in brewing itself (apart from some advances in metallurgy) but in the bottling of beers. In addition, transport remained a key factor in an industry producing a bulky, low-value product and the improvement of transport fleets allowed the more advanced brewers to extend their individual markets to sustain high output levels in an overall beer market by now in steady decline. The focus was now on scale economies and cost reduction and in this context the potential lay not in new technology but in rationalisation, a policy pursued across British industry in the inter-war years.<sup>[8]</sup>

The concentration of ownership was, of course, a necessary pre-condition for rationalisation and the pace of rationalisation was ultimately determined by the pace of merger and takeover. And both were dependent upon finance. Increased concentration and investment in technical improvement had taken place in brewing before the late 1880s, but it was the raising of finance on a large scale via the flotation of companies after 1890 which made the more telling amalgamations and absorptions possible. In the North East brewing trade, as in the country at large, incorporation and flotation went hand in hand with merger and takeover; and later capital restructuring accompanied further merger and takeover activity. Such generalisations can be corroborated because all company registration details were in the public domain. Although there was a range of authorised capital sizes amongst North East brewing firms, all of which fell short of the biggest firms in the industry, the breakdown between the various categories of capital accorded with the national picture. This link between concentration (along with rationalisation and greater scale) and finance was seen to operate again in the inter-war years when some of



the larger companies in the region raised additional capital to provide the wherewithal to sustain the trend towards concentration through further takeover and merger.

The imperative of raising extra finance had implications for ownership and control. Up to the mid-1880s brewing had generally been in the hands of sole traders or partnerships, as was most manufacturing. From then on many private companies were formed and public companies incorporated, both ensuring that ambitious brewers now had capital to exploit opportunities for refitting and enhancing production facilities, entering the retail trade and quickly growing in size, especially through acquisition and merger. Although the period 1885–1914 saw more conversions to private rather than public company status,<sup>[9]</sup> the most striking structural change came through the formation of a number of private companies or partnerships into a large public company. This occurred in a number of branches of British industry (particularly in textile finishing and chemicals)<sup>[10]</sup> but also in brewing, both nationally and regionally. Yet, despite the appearance of public companies in the brewing trade and the willingness of the public to subscribe capital, control of the industry remained family-based. Payne's conclusion that "the vast majority of manufacturing firms of the country continued to be family businesses in the mid-1880s"<sup>[11]</sup> was echoed by Wilson's statement that with regard to that time "no historian of the industry has argued that change in status of brewing partnerships substantially altered either their ownership or management".<sup>[12]</sup> This was found to be the case in the North East brewing trade, although the turn of the century had seen the arrival, in isolated cases, of a more professional management.

The growth of the larger firms in all industries in the period 1914–1939 and the continuing trend of concentration were fuelled by increasing incorporation and merger.<sup>[13]</sup> This happened in North East brewing, but it was still the case that the

largest companies still enjoyed a strong family input into control, although the process of merger and acquisition and the expansion of the capital base inevitably meant ownership became diffused to some extent.

What emerges, therefore, from our study is that the main influence in shaping the structure of the brewing industry in the North East was the creation of what Cottrell calls "multi-unit" companies; prominent firms established by the simultaneous conversion of a number of smaller companies into one public company, as happened with Newcastle Breweries and North Eastern Breweries in the 1890s and with Berwick Breweries and Associated Breweries in the 1930s. Cottrell's view was that late nineteenth century "multi-units" in British industry were "generally formed as defensive attempts by producers to restrict competition".<sup>[14]</sup> This can be seen to be equally the case in regional brewing, both before the First World War and indeed after it when beer output fell dramatically. It is reasonable to conclude that the same motives were behind other mergers and takeovers. But the unique feature of the brewing trade, which makes the restriction of competition argument so compelling, is the beer manufacturing industry's singular linkage with its retail trade.

There was a persistent forward integration of the retail sector by brewers over the period 1869–1939. One estimate for the national position suggested that possibly 40% of all licensed properties were controlled by brewers in 1870.<sup>[15]</sup> We know that in the North East at that time many brewers had a foothold in the licensed house market, usually with an estate clustered close to their breweries and for some brewers consisting of only a small number of houses. After the legislation of 1869 brewers became increasingly concerned with licensed premises, both in the extension of their tied estates and the way in which their houses were conducted. This was done by the acquisition of freeholds and leaseholds, with the 'loan tie' arrangement practised elsewhere having little importance in the North East. The

nationwide movement into retailing also happened in the North East but the region was a little behind in the first rush to acquire property.<sup>[16]</sup> This was due to the slight delay in the wave of incorporation, which was primarily responsible for amalgamating formerly separate estates and providing the financial resources to allow multiple acquisitions of licensed property, reaching the North East. Whilst the piecemeal purchase of freeholds or leaseholds was one method, for the large firms it was takeover of other breweries which was the most effective route. Smaller brewers, often partnerships, normally had to resort to less spectacular, incremental means. So here again with regard to the retail sector, we observe the interdependence of financial strength, scale and the ability to increase market power.

As with the rest of the country, the evidence we have for the North East suggests that the licensed property boom was followed by a slowing down in the pace of acquisitions after the turn of the century. The First World War then saw brewers struggling to supply existing houses and virtually no activity in the licensed property market. Our study shows that by the early 1920s in the North East, as elsewhere, brewers began again to buy property but in a much more selective manner, as well as converting some leaseholds into freeholds. Meanwhile, the differential impact compensation procedures had on brewer-owned and privately-owned licensed premises continued to increase the overall proportion of licensed property held by brewers. Further takeovers and amalgamations in the period 1921–1939 created stronger holdings by individual firms. Advances in transport meant that what constituted a reasonably situated estate could now extend over a wider area, but within the North East the territories for individual brewers encompassed only part of the region. Even the largest brewers (in terms of houses) could be said to be in direct contest in only certain areas. Analysis of public house ownership in the North East is limited by available records and comparison

with other regions is not possible until similar exercises are carried out there. What we can conclude, notwithstanding the impressionistic nature of much national estimation of public house ownership by brewers, is that the North East was probably not dissimilar to others in its experience. By the same token, even though detailed and comprehensive information on the precise nature of the tie is not available, we can, as with the national trade, conclude that on available evidence it looks likely that in the North East managers were rarer than tenants and the terms of supply were similar to those elsewhere.

It is clear that in the late nineteenth century, as the retail sector became an integral part of the brewing industry, it added an extra dimension to competition, ranking alongside the other main considerations of the nature of the product and, in the North East specifically, the successful penetration of the market by outside brewers. In 1869 a wide range of brewery products were available and even amongst the same broad categories there were differences. What was discernible, however, was a pattern of regional specialisation and some agreement that the North East's beers were not regarded as the best. Because of this around sixty brewers from outside the region had opened agencies in the North East by 1869, and the presence of outside brewers in such numbers was a distinguishing feature of the region's brewing trade. In response, some of the region's brewers had already embarked upon attempts to develop better quality beers which could compete against imported products, and this proceeded for the next couple of decades as local brewers who wished to compete effectively recruited the technical expertise necessary to manufacture the more favoured beers and also set about creating the network of travellers and representatives to increase sales to the free trade. In the 1890s, after incorporation had supplied the funds, a few North East firms took the exceptional step of acquiring brewing facilities in Scotland and Burton, two areas regarded as being at the forefront of brewing. As we have seen, North East brewers

also began the process of forward integration into licensed premises, tying up more and more of the retail trade and thereby excluding outside brewers who failed to enter the property market on the same scale. Some brewers chose, however, not to meet outside competition head on, but to arrive at an accommodation with an outside brewer which would allow an element of cooperation in areas where the indigenous brewer felt unable to compete. This was done through agency arrangements and sometimes through formal representation at board level.

With regard to the development of brewery products and responses to changing demand, our research suggests that the North East trade had a similar experience to brewers in the rest of the country. Conditions during the First World War made it impossible for brewers to continue the production of draught beer in the same quantities, qualities and variety. As a consequence there was some transfer of custom away from this staple product to bottled beer and spirits. Brewers also began to exploit the commercial value of by-products. In the 1920s and 1930s the importance of bottled beer market grew and the leading North East firms introduced a range of bottled products to both meet demand and match the competition of outside brewers, many with national reputations reinforced by persistent advertising.

From the evidence we have, it seems that whilst price was a frequent concern amongst consumers it was never really the basis upon which producers competed. This was partly because of the nature of the product, the significance of fiscal decisions in determining price (beer duty in 1920 was thought to account for 40% of the total cost)<sup>[17]</sup> and the existence of an active trade association. Before the First World War the crucial attributes of beer were seen as strength and quality, and this led to an acceptance by consumers that there were good reasons for the existing league table of price differentials. In the inter-war years it became very much the

case that the whole package, particularly the amenity value of the premises in which beer was served, was as important as price; and it was on this basis that the leading North East brewers advertised. It was also the case that the determination of the overall price level was essentially in the hands of government and, when there was room for some discretion by brewers, such decisions were relinquished to a trade association controlled by the dominant firms in the region acting in accordance with the recommendations of their national body.

What we find over the years from 1869 to 1939 is that competition clearly intensified. At the beginning of the period a brief announcement in a North East newspaper attesting to the purity or another desirable characteristic of a brewery's product was considered enough to secure a competitive advantage amongst local brewers and effectively challenge the outside producers. By the outbreak of the Second World War a steady shift in leisure patterns and a consequential long-term decline in demand had put pressure on companies to think not only about introducing new products, but also about rationalising their tied estates. The emphasis was now on the location and facilities offered by licensed premises rather than the total size of the tied estate.

A final and vexed question about North East brewing during the period concerns performance; a question that is impossible to answer in an unambiguous manner for a number of reasons. Firstly, the concept of performance itself embraces many facets,<sup>[18]</sup> for few of which we have any information. For instance, even when we rely on profitability as the sole test of performance, we are only able to consider it to the extent that we are dealing with public companies and there are surviving records. A second query covers the availability of general, comprehensive surveys for the rest of the country with which to compare the regional performance. Leaving these deficiencies aside, however, we can make some broad judgements.

After the wave of incorporations in 1890s, public disclosure of profits and

dividends allows us to assess one aspect of performance for certain regional firms and their counterparts in the rest of the country. For example, it is demonstrably the case that North East brewers immediately rewarded those who had subscribed capital on flotation: this is an era summarised as "years of exceptional profitability for brewers".<sup>[19]</sup> It is also generally the case that lower profits were reported after the turn of the century, although there was an improvement in the few years immediately before the First World War. From contemporary trade and financial publications it appears that the performance of what were the leading North East brewers matched that of the trade nationally and although there were some minor financial failures, the region's brewing trade was able to avoid the severe difficulties endured by some firms elsewhere. By the end of the First World War, the region's brewers had improved their profit performance and shareholders enjoyed higher dividends, although some were not yet in a position to distribute profits. There is no evidence to suggest that the experience of North East public companies was untypical of the national industry as a whole.

The period from 1921 to 1939 was one of fluctuating performance for brewers. After a brief post-war upsurge, the North East economy went into slump and the prosperity of the brewing industry went into decline. Better results in the mid-1920s were short lived but as brewers began to judge their performances in the context of the new circumstances, the last years of the decade saw a new realism which regarded the maintenance of profits as a sign of great optimism. However, results for the first years of the 1930s were to erode any optimism and it was not until rearmament brought recovery to the region in the latter half of the 1930s did performance improve. National press surveys confirm a similar pattern across the industry.

In essence, this investigation of the development of the North East brewing trade has revealed two main factors at work during the period. Firstly, there was

the interdependence of the vital elements of structure, competitive behaviour and performance; and a causality between them that did not run in one direction only. Secondly, these elements functioned in a manner that increased the larger firm's ability to survive and conspired to weaken the position of the smaller firm. In this way the path was smoothed for the seemingly relentless march of concentration. Throughout the period 1869–1939, structural change created bigger brewing units and better–resourced firms, which were then able to rationalise, improve production facilities and add to their holdings of licensed houses. This increased their competitiveness and was reflected in greater profits. In turn, this forward movement of causality from structural change to performance could then be reversed as performance engendered funds in the form of retained earnings and through the enhanced capacity to raise additional capital. These funds could then be used to finance moves designed to enhance competitive standing (such as takeover, modernisation or the expansion of a tied estate), all of which had the effect of further altering the structure of the trade. The most obvious manifestation of this continuous cycle – whereby the more progressive brewers of the North East gradually grew and accumulated more market power – is seen in the waves of merger and takeover. It was also operating, however, through the active pursuance by leading brewers of competitive strategies such as purchasing off–licences, acquiring wine merchants and bottling stores, installing bottling lines and by exercising stricter control over regularly updated licensed houses. By doing so, smaller brewers were rendered uncompetitive and non–viable. It then took little to persuade the owners of the more vulnerable firms of the wisdom of discontinuing and realising a capital gain.

Finally, it should be observed that whilst the history of the North East brewing trade in 1869–1939 is inevitably one of change, there was one important strand of continuity. Some of those names prominent in the trade when the period



began — for example, Reed, Cameron, Nimmo, Deuchar and Vaux — were still very much involved in the trade in 1939.

*APPENDICES*

## APPENDIX 1

*Breweries operating in the North East c1869 and ceased by 1890*

| Brewery   | Date Brewing Ceased |
|---|---------------------|
| Addison Potter, Morpeth                                     | c1875               |
| J. Aitken, Brandling Arms, Gateshead                        | 1882                |
| J. Allen, Shieldfield Brewery, Newcastle                    | c1882               |
| T. Allen, Anfield Plain                                     | c1880               |
| J. Angus, Newcastle   | c1884               |
| Wm. Armstrong, North Tyne Brewery, Wark                     | c1882               |
| Ayton & Co., Old Brewery, Hexham                            | c1875               |
| J. Bainbridge, Bishop Auckland Brewery, Bishop Auckland     | c1878               |
| Bartleman & Crighton, Northumberland Brewery, North Shields | 1883                |
| Bells, Robson (Tyne Brewery Co.) Newcastle                  | 1882                |
| J. Brown/P. Junor, West End Brewery, Durham                 | c1883               |
| H. Brewis, Morpeth  | c1872               |
| H. Budd, Tow Law  | c1875               |
| J. Bulmer, Kings Head, Easington                            | c1878               |
| R. Cater, Trimdon   | c1872               |
| G. Cockburn, Angel Brewery, Alnwick                         | 1874                |
| J. Colpitts, Puncheon Inn, Durham                           | c1887               |
| R. Craft, Easington   | c1872               |
| R. Davidson, Consett  | c1872               |
| G. Davison, Wingate   | c1880               |
| R. Dawson, Fox & Hounds, Merrington                         | 1878                |
| Dent Bros., Oak Tree Brewery, Middleton St. George          | 1883                |
| W. & J. Dixon, Darlington Brewery, Cockfield                | c1882               |
| Donald, Queens Arms, Gateshead                              | 1874                |
| H. Dunn, Saddler's Wells Brewery, Newcastle                 | 1878                |
| J. & W. Elliott, Ladywell Brewery, Winlaton                 | 1883                |
| J. Elliott, Grey Horse Brewery, Newcastle                   | 1877                |
| Emmott & Co./Laing & Co., Star Brewery, Monkwearmouth       | c1884               |
| J. Emmerson, Ducrow Inn, Newcastle                          | c1874               |
| Fairley/Morpeth Old Brewery Co., Morpeth                    | c1878               |
| T.C. Forster, Durham  | 1886                |
| G. Fowler, Durham   | c1873               |
| J. Gallon, Wolsingham                                       | c1872               |
| J. Harvey, Wellhouse Brewery, Ferryhill                     | c1878               |
| W. Henderson, Walkergate Brewery, Newcastle                 | 1888                |
| M. Henderson, Crystal Palace Brewery, Newcastle             | c1880               |
| Hindmarch & Son, Wolsingham Brewery, Wolsingham             | 1883                |
| Hindmarch & Co., Wellington Brewery, Sunderland             | 1880                |
| E. Huntley, Felling Shore                                   | 1879                |
| B. Lockwood/Lockwood & Heally, Hartlepool                   | 1876                |
| H. Love, Wear Valley Brewery, Wolsingham                    | 1884                |
| J. Mitcheson, Newcastle                                     | c1878               |
| S. MacDonald, Belford                                       | c1875               |
| L. Mackay, Newcastle  | c1875               |
| H. Milburn, Barnard Castle                                  | c1887               |
| E. Moat, Oak Leaf Brewery, Newcastle                        | c1880               |

|  |       |
|--|-------|
| F.J. Mordue, Wallsend Brewery, Wallsend          | c1878 |
| N. Morris, Usworth                               | c1882 |
| T.C. Oakes, Borough Brewery, Gateshead           | c1871 |
| E. Oyston, Ferryhill                             | 1887  |
| T. Pearson, Northumberland Brewery, Hexham       | 1880  |
| J. Ramsey, Spicer Lane Brewery, Newcastle        | 1871  |
| W. Ramshaw, Durham                               | c1883 |
| J. Robinson, Warkworth                           | 1881  |
| T. Shotton, County Brewery, Newcastle            | 1875  |
| J. Smith, Newcastle                              | 1873  |
| G. Storey, Rothbury Brewery, Rothbury            | 1883  |
| Sutherland & Co., Newcastle                      | 1874  |
| Taylor & Weatherell, Hartlepool                  | 1873  |
| Thurlow & Sons, Durham                           | 1886  |
| Tysack & Forster, Horns Lane Brewery, Sunderland | 1883  |
| Wilson Lee & Co., Allendale Brewery              | c1887 |
| A. Watkins, Haltwhistle                          | c1872 |
| W. Young, Tees Brewery, Stockton                 | c1882 |
| Young & Co., Northumberland Brewery, Newcastle   | 1876  |

#### Source :

*Mercer & Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle* (1868); *Walker's Durham Directory and Almanack* (1869, 1874, 1883, 1887, 1892); *Christie's Newcastle and Gateshead Annual Directory* (1870); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Sunderland* (1869–70 & 1877–78); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* (1879–80, 1881–82, 1883–84); *Kelly's Post Office Directory of the County of Durham and the Principal Towns and Adjacent Places in Northumberland* (1873); *Kelly's Post Office Directory of Durham and Northumberland* (1879); *Kelly's Directory of Northumberland and Durham* (1890); *Slater's Royal National Commercial Directory of Cumberland, Durham, Northumberland, Westmoreland and the Cleveland District* (1877 & 1884); *Brewer's Guardian* 3.11.1874, 12.1.1875, 27.6.1876, 4.9.1877, 20.1.1880, 19.12.1882, 25.9.1883, 14.12.1886; *Newcastle Daily Chronicle* 31.1.1871, 10.11.1871, 3.6.1873, 11.10.1873, 25.3.1874, 7.11.1874, 31.12.1874, 5.6.1875, 19.10.1875, 12.6.1876, 11.5.1877, 13.2.1878, 6.11.1878, 2.11.1878, 31.5.1879, 21.7.1880, 3.3.1881, 14.3.1881, 27.3.1881, 14.2.1883, 17.5.1883, 28.9.1883, 23.6.1884, 12.7.1884, 25.7.1885; *Sunderland Daily Echo* 4.5.1878, 21.10.1880; *Alnwick Journal*, March 1874; *Morpeth Herald*, 16.2.1878; *Durham Chronicle* 1.4.1904.

## APPENDIX 2

*Breweries Operating in the North East c1869 and 1890 under same ownership*

W.H. Allison, High Brewery, North Shields  
 Barras & Co., Old Brewery, Gateshead then Tyne Brewery, Newcastle  
 Border Brewery Co., Tweedmouth Brewery, Berwick  
 Blyth Brewery Co., then Blyth & Tyne Brewery Co., Blyth  
 Bramwell & Scurfield, then Bramwell & Co., Wear Brewery, Sunderland  
 Bertram Bulmer, Quarryburn Brewery, Hunwick  
 Walter Cameron & Co., Crown Brewery, Bishop Auckland  
 Carr, Ormston & Carr, then Carr Bros & Carr, Low Brewery, North Shields  
 Thos. Chilton, Seaham  
 R & D Crosthwaite, Low Brewery, South Shields  
 J.P. Dalton, then J & H Dalton, Stella Brewery, Blaydon  
 Robt. Emmerson, Groat Market, then R. Emmerson & Sons, Burton Brewery, Newcastle  
 W.A. Falconar & Co., Howdon Brewery  
 Fenwick & Story, then Fenwick & Co., Chester Brewery, Chester-le-Street  
 Robt. Fenwick & Co., Sunderland  
 C.F. & M. Forster, Bishop Middleham Brewery, Bishop Middleham  
 T. Fox & Son, then J.H. Fox, Norton Old Brewery, Norton  
 J. Harker, Hartlepool  
 J. Heslop, Billingham Brewery, Billingham  
 T. Heslop, Grange Brewery, Norton  
 T.P. Hinde, Darlington  
 John Howe, Greenfield Brewery, Satley  
 A.M. Loades, New Brewery, Morpeth  
 Johnson & Co., Tweed Brewery, Berwick  
 Joseph Johnson, City Brewery, Durham  
 Kirk Bros., Castle Brewery, Stockton  
 Henry Lamb, Warkworth  
 Thomas Lamb, Hetton-le-Hole  
 R. Lumley, Ovington Brewery, Ovington  
 J. Meikle, Arthur's Hill Brewery, Newcastle  
 W. Munnoch & Co., Gateshead  
 Robt Newton, Victoria Brewery, Newcastle  
 J. Nimmo & Son, Castle Eden Brewery, Castle Eden  
 Ramsey, Gilchrist & Ramsey, then Ramsey & Gilchrist, Seaton Carew  
 W.B. Reid, Leazes Brewery, Newcastle  
 Ridley & Cutter, then Ridley, Cutter & Firth, Manor Brewery, Newcastle  
 Robinson Brothers, Houghton-le-Spring  
 Thos. Robinson & Partners, Barras Bridge Brewery, Newcastle  
 John Rowell & Son, New Brewery, Gateshead  
 John Sanderson & Sons, Haymarket Brewery, Newcastle  
 Geo. Smart, Alnwick  
 J. Smurthwaite, Mark Quay Brewery, Sunderland  
 Wm. St. John, Queen Street Brewery, Sunderland  
 Wm. Story, Moor Street Brewery, Sunderland  
 J. Sutter, Elephant & Castle Brewery, Newcastle  
 M. Taylor & Co., Swalwell Brewery, Swalwell  
 Isaac Tucker & Co., Turks Head Brewery, Gateshead  
 Vaux & Sons, Union Street Brewery, then Castle Street Brewery, Sunderland  
 Wood & Maxwell, then Matthew Wood, Market Place Brewery, South Shields

**Source :** *Mercer & Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle* (1868); *Walker's Durham Directory and Almanack* (1869 & 1890); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Sunderland* (1869–70); *Wards Directory of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* (1889–90); *Kelly's Directory of Northumberland and Durham* (1890).

## APPENDIX 3

*Breweries operating in the North East c1869 and 1890 but under different ownership*

| Brewery                              | Owner in 1890             |
|--------------------------------------|---------------------------|
| Alnwick Brewery, Alnwick             | Mason Bros.               |
| Bank Brewery, Barnard Castle         | McLean & Co.              |
| Blandford Brewery, Newcastle         | Ourbridge & Archibald     |
| Brunswick Brewery, Hartlepool        | Nixey & Coleclough        |
| Elswick Brewery, Newcastle           | Wilkinson & Co.           |
| Ferry Brewery, South Shields         | Wm. Turnbull              |
| Hanover Square Brewery, Newcastle    | J. Buchanan               |
| Lambton Brewery, Sunderland          | T.E. Chapman              |
| Lion Brewery, West Hartlepool        | J.W. Cameron              |
| Mill Dam Brewery, South Shields      | J.W. Pratt                |
| Monkseaton Brewery, Monkseaton       | Geo. Wright               |
| Monkwearmouth Brewery, Monkwearmouth | Jas. Deuchar              |
| Ovingham Brewery, Ovingham           | Wm. Bedlington            |
| Rainton Brewery, Rainton             | Vacant                    |
| Sandyford Stone Brewery, Newcastle   | Robt. Deuchar             |
| South Durham Brewery, Darlington     | Vacant                    |
| Tower Brewery, Tudhoe                | P.B. Junor                |
| West Auckland Brewery, West Auckland | West Auckland Brewery Co. |
| White Lion Brewery, Newcastle        | H. Davidson               |
| Wooler Brewery, Wooler               | R. Mitchell               |

**Source :** *Mercer & Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle* (1868); *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Sunderland* (1869–70); *Ward's Directory of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* (1889–90); *Kelly's Directory of Northumberland and Durham* (1890); Bennison, B.R. & Merrington, J.P., *The Centenary History of the Newcastle Breweries Ltd.* (1991) p.74; Wood, R., *The Lion Brewery. A Short History* (1963) pp. 9–10; Richmond, L. & Stockford, B., *Company Archives, The Survey of the Records of 1000 of the First Registered Companies in England & Wales* (1986) p.297; West Auckland Brewery Company Minute Book 1, Durham County Record Office (DCRO) D/WAB 2; Partnership Agreement between M.H. Mawson and J. McLean, 1889, DCRO D/HH/2/10/78; *Newcastle Daily Journal* 28.2.1874, 30.11.1878, 20.6.1879, 27.1.1886, 30.11.1887, 18.9.1889, 23.11.1889, 30.1.1890; *Brewers' Guardian* 16.4.1875, 19.5.1885, 10.8.1886, 30.9.1890; *Durham Chronicle* 1.4.1904; *South Durham Herald* 20.8.1881.

## APPENDIX 4

*New Entrants into the North East trade after 1869 and still operating in 1890*

| Brewery   | Year of Entry |
|---|---------------|
| R. Henderson, Westoe Brewery, South Shields       | c1886         |
| Hopper & Anderson, Hope & Anchor Brewery, Morpeth | c1874         |
| E. Manners, Victoria Brewery, Darlington          | 1874          |
| T. Openshaw, Tynemouth Brewery, Tynemouth         | 1877          |
| J. Pitloh, Harbottle                              | c1878         |
| Plews & Sons, Darlington and Leeming              | 1884          |
| M. Rickinson, Union Brewery, Hartlepool           | c1875         |
| J. Turnbull, Victoria Brewery, South Shields      | c1878         |
| J. Wardle, Felton Brewery                         | c1875         |
| J. Watt, Rekendyke Brewery, South Shields         | c1880         |
| G. Wright, Belford                                | c1878         |

Source : *Kelly's Post Office Directory of the County of Durham and the Principal Towns and Adjacent Places in Northumberland* (1873); *Kelly's Post Office Directory of Durham and Northumberland* (1879); *Slater's Royal National Commercial Directory of Cumberland, Durham and Northumberland, Westmoreland and the Cleveland District* (1877); *Tyneside Industries, Newcastle and District. An Epitome of the Results and Manual of Commerce* (1889) p.198; Tweddle, H.A., *Town Trail for Morpethians*, No. 5 (1986) p.13; *Newcastle Daily Journal*, 24.9.1895 & 1.10.1925; *Northern Echo* 5.9.1889; *Brewers' Guardian* 21.1.1890.



## APPENDIX 5

*Capacities of some North East Breweries which Ceased  
Operating in the period 1870–1890*

| Brewery  | Year  | Quarters | Capacity                    | Output<br>Per<br>Brewing<br>barrels |
|--|-------|----------|-----------------------------|-------------------------------------|
|  |       |          | Weekly<br>Output<br>barrels |                                     |
| Wear Valley Brewery,<br>Wolsingham               | 1884  | 10       |                             |                                     |
| Wellington Brewery,<br>Sunderland                | 1880  | 10       |                             |                                     |
| Church Street Brewery,<br>Middlesbrough          | 1875  | 8        |                             |                                     |
| West Boldon Brewery                              | 1878  | 5–6      |                             |                                     |
| Quarryburn Brewery                               | c1890 | 4        |                             |                                     |
| Fountain Inn Brewery,<br>Gateshead               | 1882  | 3        |                             |                                     |
| Northumberland Brewery,<br>Newcastle             | 1876  |          | 300                         |                                     |
| Flying Horse Brewery,<br>Newcastle               | 1880  |          | 120                         |                                     |
| James Smith, Newcastle                           | 1873  |          | 48                          |                                     |
| Gilesgate Brewery, Durham                        | 1878  |          | 40                          |                                     |
| Angel Brewery, Alnwick                           | 1874  |          | 30                          |                                     |
| Union Street Brewery,<br>Sunderland              | 1876  |          |                             | 40                                  |
| Grey Horse Brewery,<br>Newcastle                 | 1875  |          |                             | 25                                  |
| Saddlers Wells Brewery,<br>Newcastle             | 1878  |          |                             | 17½                                 |
| Kings Head Brewery,<br>Easington                 | 1878  |          |                             | 13                                  |
| Ducrow Inn Brewery,<br>Newcastle                 | 1874  |          |                             | 7½                                  |
| Brinks White Lion Brewery,<br>Houghton-le-Spring | 1871  |          |                             | 7                                   |

Source : *Newcastle Daily Journal* 11.10.1873, 25.3.1874, 2.9.1874, 7.4.1875, 12.6.1876, 26.1.1878, 18.9.1878, 20.3.1880, 20.12.1882, 23.6.1884, 17.1.1894; *Sunderland Daily Echo* 4.5.1878, 27.11.1880; *Sunderland Times* 16.6.1876; *Newcastle Courant* 28.7.1871.

## APPENDIX 6

*Quantities of Malt and Other Materials (as malt equivalents)  
used by Brewers in the Collections of Sunderland and Newcastle  
(Thousands of Bushels), 1890–1914*

| Year | Newcastle | Sunderland | Year | Newcastle | Sunderland |
|------|-----------|------------|------|-----------|------------|
| 1890 | 404       | 611        | 1903 | 528       | 798        |
| 1891 | 409       | 685        | 1904 | 501       | 802        |
| 1892 | 410       | 693        | 1905 | 470       | 772        |
| 1893 | 395       | 649        | 1906 | 476       | 808        |
| 1894 | 377       | 650        | 1907 | 482       | 837        |
| 1895 | 370       | 665        | 1908 | 452       | 820        |
| 1896 | 382       | 675        | 1909 | 476       | 797        |
| 1897 | 402       | 715        | 1910 | 362       | 819        |
| 1898 | 436       | 766        | 1911 | 482       | 833        |
| 1899 | 476       | 797        | 1912 | 474       | 782        |
| 1900 | 487       | 830        | 1913 | 539       | 841        |
| 1901 | 492       | 900        | 1914 | 543       | 842        |
| 1902 | 542       | 823        |      |           |            |

Source : Returns of Brewers Licences 1890–1914 (See p.366 for full titles).

*APPENDIX 7*  
*Total Number and Principal Holding of Licensed Houses*  
*Owned by North East Brewers c1892*

| Brewer                                    | Total<br>number of<br>houses | Licensing area and size of<br>largest holding |     |
|---|------------------------------|---|-----|
| Newcastle Breweries,<br>Newcastle         | 125                          | Sunderland Borough                            | 28  |
| Plews, Darlington                         | 65                           | Darlington Borough and<br>Darlington Ward     | 21  |
| J. Johnson, Durham                        | 50                           | Durham City & Durham Ward                     | 22  |
| W.B. Reid, Newcastle                      | 46                           | Newcastle                                     | 30  |
| Robinson Bros.,<br>Houghton-le-Spring     | 45                           | Houghton-le-Spring                            | 29  |
| Nixey, Coleclough & Baxter,<br>Hartlepool | 45                           | West Hartlepool and<br>Hartlepool             | 24  |
| Cameron's, West Hartlepool                | 42                           | West Hartlepool & Hartlepool                  | 24  |
| Nimmo's, Castle Eden                      | 41                           | Castle Eden                                   | 24  |
| Bramwell & Co., Sunderland                | 41                           | Sunderland Borough and<br>Sunderland Ward     | 24  |
| Robt Fenwick, Sunderland                  | 40                           | Sunderland Borough and<br>Sunderland Ward     | 21  |
| Vaux, Sunderland                          | 37                           | Sunderland Borough and<br>Sunderland Ward     | 29  |
| Fenwick & Co.,<br>Chester-le-Street       | 35                           | Chester-le-Street                             | 16  |
| St. John, Sunderland                      | 35                           | Sunderland Borough and<br>Sunderland Ward     | All |
| R. Murray, Blackhill                      | 34                           | Lanchester                                    | 18  |
| West Auckland Brewery Co.                 | 31                           | Bishop Auckland                               | 15  |
| Jas. Deuchar, Monkwearmouth               | 30                           | Sunderland Borough                            | 22  |
| Lamb, Hetton-le-Hole                      | 29                           | Houghton-le-Spring                            | 13  |
| Ridley, Cutter & Firth,<br>Newcastle      | 27                           | Newcastle                                     | 15  |

|                                |    |   |     |
|--------------------------------|----|---|-----|
| Tucker, Gateshead              | 25 | Gateshead Borough and<br>Gateshead Ward | All |
| Sanderson, Newcastle           | 21 | Newcastle                               | 16  |
| Crosthwaite, South Shields     | 19 | South Shields                           | All |
| Meikle, Newcastle              | 18 | Newcastle                               | 11  |
| Arnison, Newcastle             | 17 | Newcastle                               | 8   |
| Chapman, Sunderland            | 16 | Sunderland Borough                      | All |
| Rowell, Gateshead              | 16 | Gateshead Borough                       | All |
| Emmerson, Newcastle            | 15 | Gateshead Ward                          | 4   |
| Border Brewery, Berwick        | 15 | Berwick                                 | 10  |
| Forster's, Bishop Middleham    | 14 | Durham Ward                             | 4   |
| Wm. Turnbull, South Shields    | 14 | South Shields                           | 8   |
| Falconar, Howdon               | 14 | Jarrow                                  | 7   |
| Colpitts, Durham               | 13 | Durham City                             | 11  |
| Newton, Newcastle              | 13 | Newcastle                               | 8   |
| Kirk Bros., Stockton           | 13 | Stockton Borough                        | 9   |
| J.H. Graham, Newcastle         | 13 | Newcastle                               | 7   |
| Storey, Sunderland             | 11 | Sunderland Borough &<br>Sunderland Ward | All |
| Johnson & Co., Berwick         | 11 | Berwick                                 | 8   |
| R. Deuchar, Newcastle          | 11 | Newcastle                               | 7   |
| Wood, South Shields            | 11 | South Shields                           | 9   |
| Taylor, Swalwell               | 10 | Gateshead Ward                          | 10  |
| Blyth & Tyne Brewery,<br>Blyth | 10 | Bedlingtonshire                         | All |
| Harker, Hartlepool             | 10 | Hartlepool                              | 8   |

**Source :** *Return of (1) the Number of On—Licences in each Licensing District where the Tenant and Owner on the Register are Different Persons; and (2) the Number of Persons in each District, and the Names of such Persons who are on the Register as Owners of two or more etc. 16.6.1892.*



# APPENDIX 8 – SOURCE –

Newcastle Magistrates Court, Publican's Licences and Beer, Wine and Spirits Register, Tyne and Wear Archives Service (TWAS) MG/9/1 – 4 & 10/1–3; Blaydon Magistrates Court. Beer, Wine and Spirits Licensing Registers TWAS MG/B1/4/1 & 2; Houghton-le-Spring Petty Sessional Division of Easington Ward, Licensing Registers TWAS MG/HS/8/1; West Castle Ward Petty Sessional Division of Northumberland, Beerhouse and Full Public House Registers TWAS MG/CW/8/1–6; Borough of Wallsend, Register of Licences TWAS MG/Wa/3/1 & 2; North Tyneside Magistrates Court, Licensing Registers TWAS MG/NT/12/1; Durham County Petty Sessions, Borough of Jarrow Division, Licensing Register TWAS MG/Ja/3; Gateshead Borough Petty Sessions, Ale Registers TWAS MG/Ga/10–3; East Castle Ward Division of Northumberland, Register of Licences TWAS 1809/4/2; East Coquetdale Ward Licensing Registers, Northumberland County Record Office (NCRO) 2520/PS9/99; Bedlingtonshire Ward Licensing Registers NCRO 3120/PS7/106 & 107; Norham and Islandshire Ward Licensing Register NCRO 2620/PS6/26; Haltwhistle Ward Licensing Register NCRO 3209/PS2/40; Morpeth Ward Licensing Register NCRO 3497/PS5/119c; West Coquetdale Ward Licensing Register NCRO 2620/PS9/68; Bamburgh Ward Licensing Registers NCRO 2620/PS9/38 & 39; North Coquetdale Ward Licensing Register NCRO 2620/PS9/20; Borough of Berwick Licensing Register NCRO 289, 3133 PS4/111; Bishop Auckland Licensing Registers, Durham County Record Office (DCRO) PS/BA10 & 11; Middle Division of Chester Ward (Chester-le-Street) Licensing Register DCRO PS/CS42; Stanhope Licensing Register DCRO PS/BA60; South West Division of Darlington Licensing Register DCRO PS/BA43; West Division of Chester Ward Licensing Register DCRO PS/La79; Wolsingham Licensing Register DCRO PS/BA67; Durham City Licensing Register DCRO PS/Du29; Darlington Borough Licensing Registers DCRO PS/Da/B53 & 54; Darlington County Licensing Register DCRO PS/Da13; Durham County Petty Session Licensing Register DCRO PS/Du50; South East Division of Darlington Licensing Registers DCRO PS/Da/B51 & 52; South Division of Easington Ward of County Durham Licensing Register DCRO PS/CE27; Middlesbrough Licensing Registers, Cleveland County Archives (CCA) PS/MD4/1 & 2; Borough of Hartlepool Register of Licences CCA PS/Ha26; North Ormsby Licensing Registers CCA PS/MD/3 & 4; West Hartlepool (part) Licensing Register (CCA, uncatalogued).

## APPENDIX 9

*Beer Production and Consumption in the United Kingdom, 1890–1914*

|      | Beer Production<br>(Thousands of Standard Barrels) | Per Capita Beer Consumption<br>(Gallons) |
|------|--|--|
| 1890 | 31842  | 30.0                                     |
| 1891 | 32237  | 29.8                                     |
| 1892 | 32060  | 29.8                                     |
| 1893 | 32092  | 29.5                                     |
| 1894 | 32229  | 29.4                                     |
| 1895 | 32736  | 29.6                                     |
| 1896 | 34392  | 30.8                                     |
| 1897 | 35313  | 31.3                                     |
| 1898 | 36185  | 31.8                                     |
| 1899 | 37404  | 32.5                                     |
| 1900 | 36669  | 31.6                                     |
| 1901 | 36140  | 30.8                                     |
| 1902 | 35853  | 30.2                                     |
| 1903 | 35838  | 29.7                                     |
| 1904 | 34812  | 28.8                                     |
| 1905 | 33854  | 27.7                                     |
| 1906 | 34528  | 28.2                                     |
| 1907 | 34438  | 27.8                                     |
| 1908 | 33537  | 26.9                                     |
| 1909 | 32901  | 26.1                                     |
| 1910 | 33470  | 26.3                                     |
| 1911 | 34899  | 27.2                                     |
| 1912 | 34635  | 26.9                                     |
| 1913 | 35951  | 27.8                                     |
| 1914 | 34750  | 26.7                                     |

Source : Wilson, G.B. *Alcohol and the Nation* (London 1940) Table 1 and 4, pp. 333 & 370.

*APPENDIX 10*  
*Geographical Distribution of the Tied Estates of*  
*Newcastle Breweries Ltd. and North Eastern Breweries Ltd. c1912*

| County Durham                                | Newcastle Breweries | North Eastern Breweries |
|--|---------------------|-------------------------|
| Consett area                                 | 7                   | 18                      |
| Stanley area                                 | 7                   | 7                       |
| Lanchester area                              | 2                   | 5                       |
| Blaydon/Ryton area                           | 8                   | 2                       |
| Whickham area                                | 4                   | 2                       |
| Felling area                                 | 9                   |                         |
| Gateshead                                    | 21                  |                         |
| Boldon area                                  |                     | 1                       |
| Houghton-le-Spring area                      | 2                   | 1                       |
| Washington area                              | 2                   |                         |
| Chester-le-Street area                       | 4                   |                         |
| Birtley area                                 | 7                   |                         |
| Jarrow                                       | 13                  | 5                       |
| Hebburn                                      | 3                   | 1                       |
| South Shields                                | 8                   | 1                       |
| Sunderland                                   | 13                  | 20                      |
| Monkwearmouth                                | 15                  | 1                       |
| Rural area around Sunderland                 | 5                   | 4                       |
| Bishop Auckland area                         | 2                   | 5                       |
| Sildon                                       | 1                   | 2                       |
| Crook/Willington                             | 8                   | 4                       |
| Spennymoor                                   | 6                   | 23                      |
| Durham City                                  | 5                   | 1                       |
| Rural area surrounding Durham                | 5                   | 14                      |
| Hartlepool, Stockton and<br>surrounding area | 2                   | 12                      |
| Darlington                                   | 2                   | 7                       |
| Sedgefield area                              | 14                  | 11                      |
| Seaham                                       | 4                   | 5                       |
| Easington                                    | 4                   | 3                       |
| Barnard Castle area                          | 5                   | 5                       |
| Tow Law                                      |                     | 4                       |
| Weardale                                     | 2                   | 6                       |

Source : Valuation and Schedule of Properties owned by Newcastle Breweries, 1914.  
Tyne and Wear Archives Service 1463/276 and List of North Eastern  
Breweries Properties c1910, Durham County Record Office Va/72.



*ENDNOTES*

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## ABBREVIATIONS USED IN ENDNOTES

### LOCATIONS

- CCA = Cleveland County Archives  
 DCRO = Durham County Record Office  
 NCRO = Northumberland County Record Office  
 SBA = Scottish Brewing Archive  
 TWAS = Tyne & Wear Archives Service

### DOCUMENTS

- |                              |   |  |
|------------------------------|---|--|
| Bamburgh Lic Reg             | = | Bamburgh Ward Licensing Registers  |
| Barras Min                   | = | John Barras & Co. Minute Book  |
| Barras Prospectus            | = | John Barras & Co. Prospectus 19.3.1889                                   |
| Bedlingtonshire Lic Reg      | = | Bedlingtonshire Ward Licensing Registers                                 |
| Berwick B Min                | = | Berwick Breweries Minute Book<br>1926–1941                               |
| Berwick Lic Reg              | = | Borough of Berwick Licensing Register                                    |
| Bishop Auckland Lic Reg      | = | Bishop Auckland Licensing Registers                                      |
| Blaydon Lic Reg              | = | Blaydon Magistrates Court. Beer,<br>Wine and Spirits Licensing Registers |
| Border B Min                 | = | Border Brewery Minute Book 1900–1926                                     |
| <i>Christie's</i> 1870       | = | <i>Christie's Newcastle and Gateshead<br/>Annual Directory</i> 1870–71   |
| <i>DA Berwick</i> (1894)     | = | <i>A Descriptive Account of Berwick</i> (1894)                           |
| <i>DA Durham</i> (1894)      | = | <i>A Descriptive Account of Durham and<br/>District</i> (1894)           |
| <i>DA Hartlepoons</i> (1894) | = | <i>A Descriptive Account of the Hartlepoons</i><br>(1894)                |
| <i>DA Morpeth</i> (1894)     | = | <i>A Descriptive Account of Morpeth</i> (1894)                           |
| <i>DA Newcastle</i> (1894)   | = | <i>A Descriptive Account of Newcastle</i> (1894)                         |
| Darlington Lic Reg           | = | Darlington Borough Licensing Registers                                   |

|                                   |   |
|-----------------------------------|---|
| Deuchar Ann Acc                   | = James Deuchar Ltd. Annual Accounts 1928–1940  |
| R Deuchar Min 1                   | = Robt. Deuchar Directors' Meetings Minutes 1897–1903   |
| R Deuchar Min 2                   | = Robt. Deuchar Directors' Meetings Minutes 1908–1940   |
| Durham City Lic Reg               | = Durham City Licensing Register  |
| Durham County Lic Reg             | = Durham County Petty Session Licensing Register  |
| E Castle Lic Reg                  | = East Castle Ward Division of Northumberland, Register of Licences   |
| Gateshead Lic Reg                 | = Gateshead Borough Petty Sessions, Ale Registers   |
| Hartlepool Lic Reg                | = Borough of Hartlepool Register of Licences  |
| Houghton–le–Spring Lic Reg        | = Houghton–le–Spring Petty Sessional Division of Easington Ward, Licensing Registers  |
| <i>IG Sunderland</i> (1898)       | = <i>Illustrated Guide to Sunderland and District</i> (1898)  |
| <i>Jackson's</i> 1880             | = <i>Jackson's Postal Address Directory of Newcastle upon Tyne and Tyneside</i> 1880  |
| Jarrow Lic Reg                    | = Durham County Petty Sessions, Borough of Jarrow Division, Licensing Register  |
| <i>Kelly's</i> 1873               | = <i>Kelly's Post Office Directory of the County of Durham and the Principal Towns and adjacent places in Northumberland</i> 1873           |
| <i>Kelly's</i> 1877 & 1879        | = <i>Kelly's Post Office Directory of Durham and Northumberland</i> 1879  |
| <i>Kelly's</i> 1890               | = <i>Kelly's Directory of Northumberland and Durham</i> 1890  |
| <i>Mercer &amp; Crockers</i> 1868 | = <i>Mercer &amp; Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle</i> 1868 |

|                       |  |
|-----------------------|--|
| Mid Chester Lic Reg   | = Middle Division of Chester Ward (Chester-le-Street) Licensing Register   |
| Middlesbrough Lic Reg | = Middlesbrough Licensing Registers  |
| Morpeth Lic Reg       | = Morpeth Ward Licensing Register  |
| N & DBA Min 1         | = Northumberland and Durham Brewers' Association Minutes 1887–1910   |
| N & DBA Min 2         | = Northumberland and Durham Brewers' Association Minutes 1910–1923   |
| N & DBA Ann Rep       | = Northumberland and Durham Brewers' Association Annual Report(s)  |
| NEB Properties c1910  | = North Eastern Breweries Ltd. List of Properties c1910  |
| Newc B Contracts 1890 | = Copy contracts between Hugh Cumberland and JJ and WH Allison, Swinburne, McConnell, Carr Bros., John Barras & Co. and agreement between Hugh Cumberland and Newcastle Breweries, 1890. |
| Newc B GM Cuttings    | = Newcastle Breweries Ltd. General Meetings Cuttings, including press notices and reports, drafts of chairman's reports, sederunts, correspondence to shareholders, 1890–1946.           |
| Newc B Min 1          | = Newcastle Breweries Ltd. Board Minute Book No 1 27.2.1890–22.12.1904   |
| Newc B Min 2          | = Newcastle Breweries Ltd. Board Minute Book No 2 27.1.1905–23.3.1917  |
| Newc B Min 3          | = Newcastle Breweries Ltd. Board Minute Book No 3 29.3.1917–6.9.1923   |
| Newc B Min 3a         | = Newcastle Breweries Ltd. Board Minute Book No 3a 13.9.1923 – 17.10.1929  |
| Newc B Min 4          | = Newcastle Breweries Ltd. Board Minute Book No 4 24.10.1929 – 31.10.1935  |
| Newc B Min 5          | = Newcastle Breweries Ltd. Board Minute Book No 5 7.2.1935 – 28.4.1943   |
| Newc B Priv Led       | = Newcastle Breweries Ltd. Private Ledgers, Second Series  |

|                                   |   |
|-----------------------------------|---|
| Newc B Properties<br>1890–1897    | = Newcastle Breweries Ltd. List of Licensed Houses from Formation of Co. 1897   |
| Newc B Properties 1914            | = Valuation and Schedule of Properties owned by Newcastle Breweries Ltd. 1914   |
| Newc B Prospectus 1890            | = Newcastle Breweries Ltd. Prospectus 1890, in Newc B GM cuttings (see above)   |
| Newc B Rec of Profits             | = Newcastle Breweries Ltd. Cards Recording Dividend paid on Ordinary Shares and Net Profits 1890–1947   |
| Newcastle Lic Reg                 | = Newcastle Magistrates Court, Publican's Licences and Beer, Wine and Spirits Register  |
| Newcastle Spec Lic Min            | = Newcastle Magistrates Court. Special Licensing Session Minutes and Orders Vol 4 1917–1935   |
| North B Corp Ann Rep              | = Northern Breweries Corporation Annual Report and Balance Sheet(s)   |
| North Tyneside Lic Min            | = North Tyneside Magistrates Court Licensing Meetings Minutes 1912–1937   |
| NTDA (ND) Ann Rep                 | = National Trade Defence Association (Northern District) Annual Report(s)   |
| <i>Ports on the Tees</i> (1900)   | = <i>Guide to the Ports on the Tees and Hartlepoons</i> (1900)  |
| Ret of Brew Lic                   | = Annual Return of Brewers Licences put before Parliament in the years 1870 – 1914. Actual titles vary slightly but generally begin " <i>Account of number of persons in each of the several collections of the United Kingdom Licensed as Brewers for Sale, Brewers not for Sale, Victuallers, to sell Beer to be drunk on the premises, and not on the premises; stating also the quantity of Malt and other Materials consumed; of the number of barrels of Beer Exported from the United Kingdom; and the declared value thereof and where exported to, during the year ended ...</i> " |
| <i>Rivers of the North</i> (1894) | = <i>Rivers of the North. Their Cities and Commerce</i> (1894)  |

|                                   |  |
|-----------------------------------|--|
| Rowell Min 3                      | = John Rowell & Son Ltd. Directors' Minute Book No 3 10.6.1909 – 20.11.1917  |
| Rowell Min 4                      | = John Rowell & Son Ltd. Directors' Minute Book No 4 20.12.1917 – 20.4.1925  |
| Rowell Min 5                      | = John Rowell & Son Ltd. Directors' Minute Book No 5 12.5.1925 – 25.11.1931  |
| Rowell Min 6                      | = John Rowell & Son Ltd. Directors' Minute Book No 6 14.12.1931 – 16.1.1940  |
| Rowell Shareholders Min           | = John Rowell & Son Ltd. Shareholders' Minutes 15.5.1929 – 2.9.1960  |
| S Easington Lic Reg               | = South Division of Easington Ward of County Durham Licensing Register   |
| SE Darlington Lic Reg             | = South East Division of Darlington Licensing Registers  |
| <i>Slater's</i> 1877 & 1884       | = <i>Slater's Royal National Commercial Directory of Cumberland, Durham, Northumberland, Westmoreland and the Cleveland District</i> 1877 & 1884 |
| SW Darlington Lic Reg             | = South West Division of Darlington Licensing Register   |
| Tynemouth Lic Reg                 | = North Tyneside Magistrates Court, Licensing Registers  |
| <i>Tyneside Industries</i> (1889) | = <i>Tyneside Industries. Newcastle &amp; District. An Epitome of Results and Manual of Commerce</i> (1889)                                      |
| WAB Min 1                         | = West Auckland Brewery Co. Board Minute Book 1 20.3.1878 – 18.4.90  |
| WAB Min 2                         | = West Auckland Brewery Co. Board Minute Book 2 27.6.1890 – 1.5.1907   |
| <i>Walker's</i>                   | = <i>Walker's Durham Directory and Almanack</i>  |
| <i>Ward's</i> 1867                | = <i>Ward's Directory Comprehending the Towns of Newcastle, Gateshead, Shields</i> 1867–68   |

- Ward's* 1875 = *Ward's Directory Comprehending the Towns of Newcastle upon Tyne, Gateshead, Shields and Jarrow* 1875–76
- Ward's* 1879,1881,1883,1885 = *Ward's Directory Comprehending the Towns of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* 1879–80, 1881–82, 1883–84, 1885–86.
- Ward's* 1889 = *Ward's Directory of Newcastle, Gateshead, North and South Shields, Jarrow, Sunderland* 1889–90
- Ward's* 1915 = *Ward's Directory of Newcastle, Gateshead, North and South Shields, Sunderland, Jarrow, Wallsend* 1915–16
- W Chester Lic Reg = West Division of Chester Ward Licensing Register
- 1892 Ret of On Lic = *Return of (1) the Number of On–Licences in each Licensing District where the Tenant and Owner on the Register are Different Persons; and (2) the Number of Persons in Each District, and the Names of such Persons who are on the Register as Owners of two or more etc.* 16.6.1892.

# ENDNOTES : INTRODUCTION

1. MATHIAS, P. *The Brewing Industry in England, 1700–1830* (Cambridge 1959)
2. HAWKINS, K.H. & PASS, C.L. *The Brewing Industry. A Study in Industrial Organisation and Public Policy* (London 1979) and VAIZEY, J.E. *The Brewing Industry, 1886–1952* (London 1960)
3. LYNCH, P. & VAIZEY, J. *Guinness's Brewery in the Irish Economy* (Cambridge 1960); DONNACHIE, I. *A History of the Brewing Industry in Scotland* (Edinburgh 1979); McMASTER, C. *Alloa Ale. A History of the Brewing Industry in Alloa* (Edinburgh 1985)
4. WILSON, G.B. *Alcohol and the Nation* (London 1940)
5. BAXTER, J. *The Organisation of the Brewing Industry* (Unpub. Ph.D Thesis, London University, 1945)
6. The principal trade journals covering all or part of the period are the *Brewers' Journal* (1869–1939), the *Brewing Trade Review* (1886–1939) and the *Brewers' Guardian* (1871–1906)
7. BENNISON, B. & MERRINGTON, J.P. *The Centenary History of the Newcastle Breweries Ltd., 1890–1990* (Newcastle 1991); ELKINS, T. *So They Brewed Their Own Beer* (Newcastle 1970); WOOD, R. *The Lion Brewery. A Short History* (West Hartlepool 1963)
8. For a full list of manuscript sources see pp.436–439.
9. For a full list of newspapers see p.448.



## ENDNOTES : CHAPTER 1

- 1 CORRAN, H.S. *A History of Brewing* (London 1975) p.11.
- 2 LLOYD-HIND, H. *Brewing : Science and Practice* Vol. 11 (London 1940) p.507.
- 3 GRIFFITHS, C.H. & MARTIN, G. 'Beer' in MARTIN, G., *Industrial and Manufacturing Chemistry* Part 1, 3rd Edition (London 1917) p.253.
- 4 CORRAN (1975) p.109 cites *London and County Brewer* (1735) as confirming the "virtual disappearance of all grains except barley for malting".
- 5 SCAMELL, G. *Breweries and Maltings : Their Arrangement, Construction, Machinery and Plant* 2nd Edition, Revised by F. Colyer (London 1880) pp. 137-78.  
There are obvious difficulties in designating many abridged patent specifications to particular trades or industries. DUTTON, H.I. *The Patent System and Innovative Activity during the Industrial Revolution* (Manchester 1984), Appendix A, gives "the direction of patent activity ranked by process" between 1750 and 1851. A figure of 273 is given for 'Brewing' but this certainly underestimates the number of inventions applicable to the brewing industry since other processes in Dutton's classification include steam, grinding corn, metal pipes, ventilation, bottling liquids, casks, barrels and ice-making.
- 6 Whilst Scamell's is perhaps the most comprehensive analysis, other more recent historians have carried out their own analyses which conflict to some extent numerically but indicate the general emphasis of inventive activity in different periods [see, for example, CORRAN (1975) p.80].
- 7 Steele's masher was an 'external' machine powered by steam. Some other external machines, developed from 1863, were self-acting, being propelled by the force of the liquid itself. But it was Steele's machine that became widely adopted and CORRAN (1975) p.188 comments that the machine is "still used, largely unchanged". There were also 'internal' mashing machines of which Matterface's rakes, invented in 1807, still survive in much the same form [see CORRAN (1975) p.188]. What this discussion of mechanical aids to mashing illustrates is that with reference to but one small part of the brewing process we can see the pattern of innovation that applied across the whole of brewing: the invention of machinery or instruments followed by alterations and modifications, but where the essential elements of the basic design could remain for a considerable time.
- 8 AMSINCK, G.S. *Practical Brewings : A Series of Fifty Brewings in Extensio* (London 1868) p.4.  
The method that was to become widespread amongst brewers was the Jukes furnace, patents for which were filled between 1838 and 1848.

- 9 BAXTER, J. *The Organisation of the Brewing Industry* (Unpub. Ph.D Thesis, London University, 1945) p.161 states that by the middle of the 19th century "all year round brewing had been substantially achieved". This is confirmed by BLACK, W.A. *Practical Treatise on Brewing, based on Chemical and Economical Principles; with formulae for public brewers and instructions for private families*, 4th Edition (London 1849) p.75 who says that "in former times there was always a cessation from brewing in the heat of summer. Now, however, little or no alteration is made on that account, and the various mechanical means have been adopted to counteract the heat of the weather during the summer".
- 10 BAXTER (1945) p.113.
- 11 CORRAN (1975) p.197.
- 12 AMSINCK (1868) p.6.  
As early as 1847, LEVESQUE, J. *The Art of Brewing and Fermenting and Making Malt* 4th Edition (London 1847) p.4 argued that "in these days of invention and improvement, the refrigerator is of indispensable importance" and "wherever competition prevails, they must be adopted".
- 13 The new cleansing method was the 'Burton union' system developed by the leading Midland brewers. This triggered off much debate in the trade press, although it was unlikely to have been a practical issue in the North East. AMSINCK (1868) p.5 thought that the advocacy of unions had become "the fashion of the day" and SCAMELL (1880) p.42 said the question of unions was only a consideration for the large brewers.
- 14 Certain conclusions do however emerge. It is clear that it was not until the last fifteen years of the eighteenth century that the steam engine was adopted for brewing operations. It is also clear that brewers, when they did adopt steam engines, were great customers of Boulton and Watt. MATHIAS, P. *The Brewing Industry in England, 1700-1830*. (Cambridge 1959) p.84 states that "before 1795 only two other industries (cotton and coal) had a greater number of Watt engines than breweries". It is pointed out that this is in terms of the number of machines : if horse-power was the criterion then canals would beat brewing into third place. KANEFSKY, J.W. *Diffusion of Power Technology in British Industry, 1770-1870* (Unpub. Ph.D Thesis, University of Loughborough, 1979) attempts to trace all steam engines known to have been in use between 1700 and 1800, and shows that they were not used in brewing until 1781 and thereafter 26 were installed before the end of the century (Table 6.3 p.273). MATHIAS (1959) p.85 lists Watt engines supplied to breweries between 1784 and 1841. This is based upon an analysis of the Soho MSS Engine Book and the author accepts that this list is not exhaustive nor would it include certain conversions of existing engines. In any case, the emphasis on Watt in much of the literature of the steam engine may obscure the fact that breweries, in common with other businesses, had many other potential suppliers of engines. MUSSON, A.E. 'Industrial Motive Power in the UK, 1800-1870', *Economic History Review*, 2nd Series Vol. XXIX, 1976, pp. 415-439 argues that the use of steam power was more extensive than had earlier been thought since "many of the old Savory and Newcomen engines continued to be built and the Newcomen 'atmospheric' could, like Watt's, be connected to rotative motion, whilst Watt's engines were extensively 'pirated' and many other engine builders were active in

various parts of the country in the last two decades of the century before Boulton and Watt's patent monopoly ran out in 1800". Given the above complications it is impossible to get an accurate picture of the rate of adoption of steam power by breweries.

- 15 MATHIAS (1959) p.81.
- 16 The output figures for Durham are taken from MACKENZIE, E. & ROSS, M. *Historical, Topographical and Descriptive View of the County Palatine of Durham* (Newcastle 1834) Vol. 1, p. cii. Indeed, in England and Wales there were only 154 brewers whose output exceeded 20,000 barrels (see Table 3 p.18).
- 17 VINT & ANDERSON *An Impartial History of the Town and County of Newcastle upon Tyne and its Vicinity* (Newcastle 1801) p. 530.
- 18 The engine at Wood's brewery was valued at £50 (Valuation of the Property Connected with Brewery of late Christopher Wood, 1835, TWAS 573/179). For Taylor's see *DA Newcastle* (1894) p.122. The consideration of motive power in breweries in Chapter 2 section 2.3.3 suggests that by the early 1870s most North East brewers of any significance had steam engines and it is probable that many of these were acquired before the late 1860s.
- 19 MATHIAS (1959) p.65.
- 20 BROWN, H.T. 'Reminiscences of Fifty Years' Experience of Application of Scientific Method to Brewing', *Journal of the Institute of Brewing*, Vol. XXII, No. 5, May–June 1916, pp. 267–354.
- 21 BROWN (1916).
- 22 CLOW, A. & N. *The Chemical Revolution* (London 1952) p.538 express the view that it was unnecessary to refer to the antecedents of the chemical understanding of fermentation "beyond the recording of the microscopic observation, which Lecumenhock made in 1680, that the yeast which brings about the fermentation process is a mass of small cells – it was not until 1838 that Cagnard later showed that it was a living organism which was reproduced by budding". Pasteur's work *Etudes sur la Biere* was not published in translation until 1879, although extracts appeared in the *Brewer's Guardian* from 16.2.1877.
- 23 BROWN (1916)  
There is some evidence of the slow adoption of scientific method. In 1871, for example, there was no microscope in use at Whitbread's brewery. SIGSWORTH, E.M. 'Science and the Brewing Industry, 1850–1900' *Economic History Review*, 2nd Series, Vol. XVIII, 1964–65, pp. 536–50, concludes that "not only the processes of the brewery, but the skills of maltster, hop and barley grower all in some measure experienced the impact of scientific progress. In some cases that impact was long delayed because the discoveries themselves were long in coming to fruition. In some cases the discoveries were of a highly controversial nature and long continued to be so. In others, sheer inertia on the part of the industry seems to have delayed the adoption of new techniques devised in the laboratory. In no case can

scientific discovery be said to have had revolutionary effects upon the brewing industry".

- 24 *Hexham Courant* 11.12.1869.
- 25 VAIZEY, J.E. 'The Brewing Industry' in COOK, P.L. & COHEN, R., *Effects of Mergers* (London 1958), pp.397–422.
- 26 Figures for brewing publicans' share of output and their incidence in the North East are taken from BAXTER (1945) Table 8, p.49, Table 9, p.52 and Table 14, p.63.
- 27 BAXTER (1945) p.44.
- 28 CLAPHAM, J.H. *An Economic History of Modern Britain : The Early Railway Age 1820–1850* (Cambridge 1964) p.171. Clapham cites as evidence the official Excise Returns which show numerous prosecutions for illicit trade in Scottish spirits in the region.
- 29 *Report from the Select Committee on Sale of Beer*, House of Commons, 6.4.1830 p.99.
- 30 For some areas directories were not published every year. Where directories did appear annually there was often a time lapse which made the precise time at which a brewery left the industry uncertain.
- 31 There is some doubt as to whether around 20 of these 152 breweries were actually operating in 1869. They appear in some directories, for example, in 1868 but not 1870. They have nevertheless been included.
- 32 *Newcastle Daily Chronicle* 23.5.1882.
- 33 For the Hanover Square and Manor Breweries see *Tyneside Industries* (1889) pp 108 & 147 and *Rivers of the North* (1894) p.176; for the description of Arnison's brewery see VINT & ANDERSON (1801) p. 530; and for W.B. Reid see Prospectus of W.B. Reid & Co. (*Newcastle Daily Chronicle* 12.5.1891) & *Newcastle Daily Journal* 17.12.1889.
- 34 For Sanderson, Newton and Sutter respectively see *Newcastle Daily Chronicle* 9.6.1896, *Tyneside Industries* (1889) p.117 & *Newcastle Daily Journal* 2.2.1889; and for Emmerson see *Tyneside Industries* (1889) p.83.
- 35 Prospectus for R. Fenwick & Co. Ltd (*Newcastle Daily Chronicle* 17.11.1896) states "established upwards of a century". POTTS, T. *Sunderland : A History of the Town, Port, Trade and Commerce* (Sunderland 1892) p.12 states that "Fenwick's brewery has been in the occupation of the family for at least three generations, if not four". MILBURN, G.E. & MILLER, S.T. (Eds), *Sunderland River, Town and People* (Sunderland 1988) p.30 state that Fenwick's "were already in the brewing business and operating a tied house system by 1807". References to the ownership of the Chester-le-Street brewery can be found in MILBURN & MILLER (1988) p.32 and ROSS, C. *The Development of the Glass Industry on the Rivers Tyne and Wear, 1700–1900* (Unpub PhD. Thesis, University of Newcastle 1982), pp. 189–90. Details of the Fenwick glass-making interests are given in POTTS

- (1892) pp. 160–1; ROSS (1982) pp. 258–9, 534–5 and *Sunderland Echo* 21.1.1965. Reference to the West Boldon brewery appears in WILSON, M. *A Short History of Boldon* (Boldon 1935) p.54.
- 36 With regard to the history of Vaux, there is no doubt about the occupation of the Union Street brewery and its closure (VINT & CARR *Borough of Sunderland Directory* 1844 and *Sunderland Times* 16.8.1876). There is considerable doubt about the earliest years of Vaux. Some references to the origins of Vaux as brewers [for example, WEBB, J.M. 'Vaux Breweries 100 Years at Castle Street', *Things that Affect Us*, Issue No. 90 (June 1975) and MILBURN & MILLER (1988) p.31] suggest that the family were involved as early as 1805 or 1807. However, Cuthbert Vaux, who the same publications acknowledge as the founder of the Vaux brewing dynasty, was not born until 1813.
  - 37 For Bramwell & Scurfield see POTTS (1892) p.12; for Smurthwaite see *Newcastle Daily Journal* 23.11.1909; and for St. John see *Newcastle Daily Chronicle* 11.9.1893.
  - 38 *Newcastle Courant* 28.9.1799.
  - 39 BENNISON, B. & MERRINGTON, J.P. *The Centenary History of the Newcastle Breweries Ltd., 1890–1990* (Newcastle 1991) pp. 4–5 and Papers on Reed v Boyd in Chancery, in case involving the Trustees of John Barras, 1884 R No 191, 1885–87, TWAS 1463/270.
  - 40 The obituary of Thomas Tucker (*Newcastle Daily Journal* 8.7.1891) says that the business of Issac Tucker was established 46 years ago. Later references produce widely differing 'dates of birth'. For example, the *Official Handbook of Gateshead Corporation* (1951) p.37 says the brewery was "founded some eighty years ago". When the brewery closed in 1968 a local newspaper described it as "thought to be the North's oldest brewery" which "had been in Gateshead since the 18th century" (*Newcastle Journal* 4.5.1968). For Rowell see *Tyneside Industries* (1889) p. 203 and for Taylor see *DA Newcastle* (1894) p.123.
  - 41 For Loades see *Newcastle Daily Journal* 13.5.1908 and *DA Morpeth* (1894) p.20; for Fairley see TWEDDLE, H.A. *Town Trail for Morpethians*, No. 5, (Morpeth 1986) p.23; and for Addison Potter see *Christie's* 1870 and *Rivers of the North* (1894) p.16.
  - 42 For Wood see HODGSON, G.B. *The Borough of South Shields : From the Earliest Period to the Close of the Nineteenth Century* (Newcastle 1903) p.359, *Newcastle Daily Chronicle* 14.12.1901 and *Ward's* 1867. Prospectus for W.A. Falconar & Co. (*Newcastle Daily Chronicle* 7.3.1893) states that the business had been "carried on at Howdon for upwards of a century". For Carr see *Newcastle Daily Journal* 26.11.1863; *Ward's* 1867; BELL, R.C. & GILL, M.A.V. *The Potteries of Tyneside* (Newcastle 1973) p.28 and BELL, R.C. *Tyneside Pottery* (London 1971) p.49.
  - 43 *Ward's* 1867 and 1869.
  - 44 *Tyneside Industries* (1889) p.137.

- 45 For Cameron's see *Newcastle Daily Chronicle* 24.10.1895 and 21.1.1897 and WOOD, R. *The Lion Brewery : A Short History* (West Hartlepool, 1963) pp. 6–9; for Kirk Bros. see *Industries of Yorkshire* (1890) p.252; for Hinde see *Newcastle Daily Chronicle* 30.12.1891; and for Hodgson/Forster see HAILE, N. *Bishop Middleham Parish Council, 1896–1946* (c1972).
- 46 For Fenwick & Story see D.A. *Durham* (1894) p.40; for Johnson see *Walker's* 1885 p.46 and D.A. *Durham* (1894) pp. 30–32; for West Auckland Brewery see 'West Auckland Brewery Co.' in RICHMOND, L. & STOCKFORD, B. *Company Archives : The Survey of the Records of 1000 of the First Registered Companies in England & Wales* (Aldershot 1986) p.207; for Nimmo's see *Whitbread's Magazine*, September 1964, p.16; for Chilton see *Newcastle Daily Chronicle* 25.2.1904; for Robinson Bros. see D.A. *Durham* (1894) pp. 46–47; and for Thos. Lamb see 'Thomas Lamb & Sons (Hetton-le-Hole) Ltd' in RICHMOND, L. & TURTON, A. *The Brewing Industry : A Guide to Historical Records* (Manchester 1990) p.205.
- 47 Prospectus of Border Brewery Co. (*Berwick Journal* 31.5.1900) says that the Border Brewery was "established at present Tweedmouth premises for 100 years". For Johnson & Co. see *Brewers' Guardian* 6.12.1892 and *Berwick Journal* 13.2.1896; for Alnwick Brewery see *Alnwick Journal*, July 1890; for Smart see *Newcastle Daily Journal* 24.1.1895; and for Lamb see *Newcastle Daily Journal* 30.5.1905.
- 48 WEBB, S. & B. *The History of Liquor Licensing in England – Principally from 1700 to 1830* (London 1903) p.5.
- 49 WEBB (1903) p.87.
- 50 Support for freer trade was augmented by some brewers and growers of hops and barley who welcomed the opportunity for greater beer consumption. Another cause for concern may have been the proven corruption of some JPs.
- 51 To open a beerhouse it was necessary (but only a formality) to buy a licence for two guineas which allowed the retail sale of beer, ale, porter, cider and perry. It was also necessary to put up a bond with sureties for any fines resulting from breach of provisions of police regulations with respect to such things as drunkenness on the premises, adulteration of beer, short measures and riotous behaviour. An estimated 24342 beerhouses were added to existing premises within the first six months of the Act (WEBB [1903] p.116).
- 52 By 1834 it was felt necessary to amend the 1830 Act and to introduce added safeguards. 'On' and 'off' licences were created, with beerhouses selling for consumption off the premises having their licences reduced to 1 guinea. For 'on' licences, however, more stringent measures were introduced. The licence fee went up to 3 guineas but a certificate of good character signed by six ratepayers of the parish was now required. (Separate arrangements for rating qualifications in lieu of the certificate for good character were made for the metropolis and certain other cities). This measure effectively created the beershop as distinct from the beerhouse. A third Act of 1840 introduced a requirement that only the resident occupier of a beerhouse could hold the licence, and extended the rating qualification.

- 53 The licensed victualler's licence fee was based on the rateable value and whether or not a spirits licence was included. Under the terms of a beerhouse licence a 'retail quantity' was less than four and a half gallons or two dozen reputed quart bottles at any one time.
- 54 The magistrates were not, of course, exclusively magistrates. Some had anti-drink sympathies and others were also employers.
- 55 *Newcastle Daily Chronicle* 29.8.1870.
- 56 In the 1830s the anti-spirit campaign, with its tolerance of moderate beer consumption, had come under a strong challenge from the total abstainers. Visits to the North East by celebrated temperance lecturers, Joseph Livesey and Thomas Whittaker in 1835 and 1836 resulted in the formation of teetotal societies in many towns [see 'The North of England Temperance League : Historical Sketch', *The Temperance Witness*, Vol. XI, No. 2, June 1900, p.24-5 and WINSKILL, P.T. *The Comprehensive History of the Rise and Progress of the Temperance Reformation* (London 1881) p.88]. In Newcastle the teetotallers split from the anti-spirits society to form their own group, claiming a membership of 1719 by 1836 (First Annual Report of the Newcastle Teetotal Society 1836, quoted in TAYLDER, T.W.P. *History of the Rise and Progress of Teetotalism* in Newcastle upon Tyne [Newcastle 1886], p.11.
- 57 see 'The North of England Temperance League : Historical Sketch' as in 56.
- 58 H.A. Bruce's Intoxicating Liquors (Licensing) Bill.
- 59 HARRISON, B. *Drink and the Victorians. The Temperance Question in England 1815-1872* (London 1971) p.37.
- 60 *Newcastle Daily Chronicle* 29.8.1870.  
Amongst the alternative drinks to beer, water was not always pure enough to drink in many urban areas. In Newcastle it was necessary to supplement reservoir water with that from the river. During 1870 the Laboratory and Assay Office reported that samples were variously described as "turbid", "not fit for table" and "quite unfit for most domestic purposes" (*Newcastle Corporation Minutes*, 1870 pp. 339, 353 and 385).
- 61 HARRISON (1971) p.41.
- 62 *Report of Chief Constable of Newcastle* 1901.
- 63 For example, WILSON, G.B. 'A Statistical Review of the Variations during the Last Twenty Years in the Consumption of Intoxicating Drinks in the United Kingdom, and in Convictions for Offences Connected with Intoxication, with a Discussion of the Causes to which these variations may be Ascribed', *Journal of the Royal Statistical Society*, January 1912, pp. 183-247, argued that "for many years ... the fluctuations in consumption of alcoholic liquors have followed very closely the rise and fall in the general trade in the country". Similarly, the *Brewery Manual* of 1897 stated that "the brewing industry is one of the first to participate in the benefits attending a trade revival, just as it is the first to feel the brunt of trade depression".

- 64 DINGLE, A.E. 'Drink and Working Class Living Standards in Britain, 1870–1914' *Economic History Review*, 2nd Series, Vol. XXV, 1972 pp. 608–622.
- 65 The degree of excessive overcrowding was confirmed by the 1866 *Report of the Public Health for Newcastle* which pointed out that : "43% of the entire population live in small tenements ... There are, or were, very recently in the town, 9639 families occupying single rooms, and 6191 families occupying two rooms, or a total of 15830 families who have to live, eat, toil, sleep and perform all the offices of life under these conditions".
- 66 In 1875, for example the proceedings for drunkenness per 100,000 of the population averaged 854 for England and Wales. In Durham, however, the figure was 2321 and for Northumberland 1973 (WILSON, G.B. *Alcohol and the Nation* (London 1940) Table 37, p.440.
- 67 The origin of porter is contained in a well–repeated account of a London brewer who produced an ale that replicated the mixture of ales that was a popular drink amongst the porters of the city [see for example, DOWELL, S. *History of Taxation and Taxes in England*, 2nd Edition (London 1888) Vol. IV p.74]. This in turn became a very popular product and explained the expanding output of what were to become some of the biggest firms in the industry. The word porter, however, began to be applied to any dark coloured beer.
- 68 The water at Burton, for example, was ideally suited to the brewing of lighter ales, whilst the water supplies of London and Dublin were best suited to the production of types of porter.
- 69 BLACK (1849) p.121.
- 70 MUSPRATT, S. (Ed) *Chemistry as applied to the Arts and Manufactures* (London 1853) p.248.
- 71 AMSINCK (1868) p.10.
- 72 LOVIBOND, T.W. 'The Brewing Trade of the Tyne' in British Association, *Handbook to the Industries of Newcastle and District* (Newcastle 1889) pp. 229–232.
- 73 LOVIBOND (1889).
- 74 LOVIBOND (1889).
- 75 BRUCE, Rev. J.C. *Handbook to Newcastle–on–Tyne* (London 1863) p.277.
- 76 For Laing see *Newcastle Weekly Chronicle* 11.8.1917; for Bass see *Newcastle Daily Chronicle* 29.12.1894; for Bentley see *Newcastle Daily Chronicle* 29.11.1870; and for Bradley see *Newcastle Daily Chronicle* 4.8.1870.
- 77 *Newcastle Daily Chronicle* 7.1.1869.



- 78 *Newcastle Daily Chronicle* 3.1.1870 and 15.10.1870.  
The advantage for 'outside' brewers of appointing indigenous brewers as agents were that the 'importer' did not need storage facilities or to carry out the bottling. Their agents also supplied some private customers, or what they called 'families', providing they bought in quantity e.g. from half-barrel casks upwards.
- 79 See Bartleman & Crighton's advertisement in *Ward's* 1869 and Wilkinson & Co.'s in *Newcastle Courant* 18.3.1870.
- 80 See Elliott's advertisement in *Ward's* 1867 and Bell's entry in *Tyneside Industries* (1889) p.158.
- 81 *Newcastle Daily Chronicle* 20.6.1870.
- 82 For example, the Barras Bridge brewery advertised "strong ale", the Leazes Brewery was producing "Special Brews of Strong Ale", and a Newcastle licensee advertised the "best strong ale in Newcastle — brewed by Messrs Ayton & Co., Hexham (*Newcastle Daily Chronicle* 3.1.1870 and 1.3.1870).
- 83 *Christie's* 1870.

## ENDNOTES : CHAPTER 2

1. The implicit distinction made between the main brewing centres in Britain is illustrated by the way in which the industry organised into trade groups. Although the London-based Brewers' Company had existed since 1437, an attempt at national organisation did not occur until 1822 with the establishment of the Country Brewers' Society. This could never claim to be entirely national, however, since there was also a Burton Brewers' Association and a London Brewers' Association acting independently. It was not until 1904 that the three groups amalgamated. In Scotland, an Edinburgh Brewers' Association had been established, becoming the Brewers' Association of Scotland in 1906. As regards the assumption that all brewers shared some common experience, GOURVISH, T.R. & WILSON, R.G. 'Profitability in the Brewing Industry, 1885-1914', *Business History*, Vol XXVII, No. 2, July 1985, pp. 146-65, point out that "In spite of (the) lack of an extended survey, generalisations about the industry in (the) 1885-1914 period abound. The accepted view is usually etched in these terms. The undercurrents of the tide of change, that ran so strongly after 1885, had three origins. First, licences to sell beer were restricted after the early 1870s. Second, beer consumption, because of shifting consumer preferences and a well-publicised temperance movement, declined after 1880. Third, rapid growth in the 1840-80 period and an important scientific breakthrough induced brewers to build larger modern breweries. In periods of recession they suffered from over capacity. These three factors sparked off a race by brewers, in the face of declining demand and a restricted number of outlets, to tie the public houses by wholesale purchase from the 1880s. To raise capital on an unprecedented scale some 200 companies went public by 1890..."
2. *Brewers' Guardian* 8.3.1887.
3. *Brewers' Guardian* 31.1.1880.
4. *Brewers' Guardian* 19.2.1889.
5. There is a clear difference in the quality and reliability of national and local information. Table 8 is an accurate record of the issue of brewers licences whilst Table 9 is put together from sources which may well have overlooked a number of smaller brewers, particularly the publican brewer. It is probable, therefore, that Table 9 under-represents just that class of brewer most likely to leave the industry during the period. Thus, if our reconstruction of the regional brewing industry is flawed it is most likely to have underestimated the number of persons leaving the trade during the period.
6. *Brewers' Guardian* 19.10.1875 and 4.9.1877.
7. POTTS, T., *Sunderland. A History of the Town, Port, Trade and Commerce* (Sunderland 1892) p.3.  
It was reported that the assets of the firm were £9000 and the liabilities £13000. At this point an attempt to sell the premises failed (*Sunderland Daily Echo* 21.10.1880 and 6.11.1880). Subsequent attempts illustrate the declining interest in brewing amongst potential entrepreneurs. When put up for auction at a starting price of £1500 in 1884 it failed to attract a bid,

although five of the seven licensed houses were sold; a year later it was put up for sale at £1000 and again there were no bids; another year on, it was put up for £500 with no bid. By now it was advertised as "standing in a large area, well adapted for any business requiring a good space, such as foundry, sawmill etc. and could be easily altered". In 1893 it was still on the market, this time described as "may be converted into dwelling houses", but it was withdrawn at the auction when the highest bid reached only £400 (*Sunderland Daily Echo* 13.2.1884, 15.9.1885, 28.10.1886 and 14.6.1893).

8. *Brewers' Guardian* 20.1.1880.  
Attempts were made to let the brewery (*Newcastle Daily Journal* 4.4.1880) but there is no record of brewing being carried on.
9. At Morpeth the Old Brewery's lease was offered for sale by private contract in 1873 and the decision to wind up the Morpeth Old Brewery Co. was made at an extraordinary general meeting in 1878. An immediate attempt to sell by tender failed and the brewery then went to auction, unsuccessfully, a few weeks later. Further attempts were made to sell the brewery in the years that followed and in 1884 the brewery plant was finally dismantled and sold (*Newcastle Daily Journal* 29.11.1873, 17.5.1879 and 16.8.1884 and *Morpeth Herald* 16.2.1878, 23.2.1878, 1.3.1879, 1.3.1879 and 9.9.1882). For Fowler's financial trouble see *Walker's* 1894, p.59.
10. *Brewers' Guardian* 19.5.1874 and *Newcastle Daily Journal* 27.3.1883 and 2.5.1891.
11. *Newcastle Daily Journal* 7.11.1874 and 18.2.1875.  
Liquidation also explained the closure of the Borough Brewery at Gateshead in 1871, the Warkworth Brewery in 1881 and the business of John Dent of Middleton St George in 1883 (*Newcastle Daily Journal* 31.1.1871 and 14.3.1881 and *Brewers' Guardian* 25.9.1883).
12. *Newcastle Daily Journal* 6.5.1879, 3.3.1883, 28.4.1883 and 10.2.1887. The Crightons also operated in North Shields as Crighton Bros., rope and sail manufacturers. Amongst other family business interests, C.E. Crighton operated from Newcastle and Bodmin as a china clay merchant as the Glynn Valley Kaolin Co. (*Newcastle Daily Journal* 6.5.1879).
13. *Newcastle Daily Journal* 12.6.1876, 12.7.1884 and 25.7.1885. On a smaller scale, another Newcastle undertaking, the Walkergate Brewery, closed on the owner's death in 1888 (*Newcastle Daily Journal* 24.10.1888) and afterwards disappeared from the directories.
14. The brewery was offered for sale in 1875 as the property of "Wm Elliott deceased". This sale was postponed in "consequence of the arrangement by which Mr Elliott and his brother will continue to carry on the business conducted by their late father" (*Newcastle Daily Journal* 14.1.1875). By 1877, however, the brewery, its horses and stock were being offered for sale, but the premises did not change hands and repeated attempts were made to sell after John Elliott went into liquidation in 1879. In 1890 the property was being offered for sale as the City Livery Stables but was described as being formerly known as the Grey Horse Brewery and which could be readily converted into a brewery with fixed plant and machinery included in the sale (*Newcastle Daily Journal* 30.1.1877, 18.8.1877, 31.5.1879, 11.6.1879,

20.10.1880, 30.7.1881 and 22.11.1890).

15. For Ayton see *Newcastle Daily Journal* 13.5.1873 and 6.1.1875 and *Brewers' Guardian* 13.1.1874 and 12.1.1875. At the Northumberland Brewery, after Pearson died in 1881, a legal dispute meant that the brewery did not go onto the market until 1883, when no offers were forthcoming (*Newcastle Daily Journal* 17.5.1883).
16. The first attempt to sell the Wear Valley Brewery by auction was in 1884 (*Newcastle Daily Journal* 23.6.1884). Directories show no brewing taking place thereafter. At the Wolsingham Brewery, successive attempts to sell it as a going concern, both privately and at auction, failed (*Newcastle Daily Journal* 14.2.1883, 24.3.1883 and 23.6.1883).
17. *Newcastle Daily Journal* 28.9.1883 and 10.8.1887.
18. Retirement was the reason for the closure of Newcastle's Spicer Lane Brewery in 1871, the Saddlers' Wells Brewery in 1878, and the Crystal Palace Brewery in 1880 (*Newcastle Daily Journal* 10.11.1871, 6.11.1878 and 21.7.1880). B. Lockwood and J.D. Heally of Hartlepool was dissolved in 1876 (*Brewers' Guardian* 27.6.1876). G. Taylor and J. Weatherell of Hartlepool was dissolved in 1873, although Weatherell carried on brewing briefly (*Newcastle Daily Journal* 3.6.1873). In Durham, the business of J.R. Thurlow was dissolved in 1886 (*Brewers' Guardian* 14.12.1886).
19. DODD, J.J. *The History of the Urban District of Spennymoor* (Spennymoor 1897) p.157, *Newcastle Daily Journal* 24.4.1877 and 4.9.1886 and *Durham Chronicle* 1.4.1904.
20. *Brewers' Guardian* 3.11.1874 and *Sunderland Daily Echo* 22.10.1883.
21. At the Angel Brewery, Alnwick, Cockburn announced that he was retiring from brewing and put the brewery up for auction, but bidding was described as "exceedingly languid" and the property was withdrawn, the highest bid being £210. The brewery was then made available for rent or purchase, with the plant selling separately (*Alnwick Journal*, March 1874 and *Newcastle Daily Journal* 25.2.1874, 15.4.1874, 22.4.1874 and 2.9.1874). For Forsters' see *Walker's* 1887 p.52 and *DA Durham* (1894) p.30–2. For Laing & Co., no brewery is listed in directories for 1890 but there is evidence that they continued to brew for some time after taking over the premises. For example, in 1883 they advertised themselves as brewers of India pale ale, mild ale and stouts (*Wards* 1883). At the Allendale Brewery in 1870 the proprietors were Wilson, Lee & Co. The brewery and its licensed houses were put on the market in 1884 but the only acceptable bids were for two public houses. In 1887 the properties were offered for sale by private treaty. From that point the directories show James Walton & Co., wine and spirit merchants, as occupying the brewery. Walton had been listed as the manager of Wilson, Lee & Co. since the early 1870s (*Newcastle Daily Journal* 29.10.1884 and 11.5.1887 and *Kelly's* 1873 and 1890). At the Wallsend Brewery, Mordue was advertising for a brewer in 1887 but by the next year the brewery was available for rent. Directory entries point to the cessation of brewing. (*Newcastle Daily Journal* 7.3.1877 and 2.11.1878 and *Kelly's* 1879). For Addison Potter see *Rivers of the North* (1894) p.16.

22. At the Ducrow Inn, Newcastle, John Emmerson sold off the brewing plant and moved to take over the Victoria Hotel (*Newcastle Daily Journal* 5.6.1875, 6.6.1875 and 7.6.1875); at the Queen's Arms, no bids above the upset price were forthcoming at auction (*Newcastle Daily Journal* 25.3.1874); Henry Budd, brewer and maltster of Tow Law, and R. Davidson, innkeeper and brewer of Conside—cum—Knitsley, last appeared in *Kelly's* 1873; and L. Mackay of the Bird in the Bush Yard, Newcastle last appeared in *Ward's* 1871. The closures at Easington and Merrington are indicated by advertisements in *Sunderland Daily Echo* 4.5.1878 and *Newcastle Daily Journal* 13.2.1878. Directory entries suggest that Elizabeth Moat brewed at the Oak Leaf Inn and Brewery until 1880, the last entry being in *Ward's* 1879. J. Aitken, brewer of the Brandling Arms, went into liquidation in 1882 (*Brewers' Guardian* 19.12.1882). For Colpitts see obituary in *Walker's* 1892, p.66 and directory entries (e.g. *Walker's* 1887 and *Kelly's* 1890) which suggest that Colpitts reverted to being a licensed victualler. By the time of his death he had six other licensed houses in Durham in addition to the Puncheon Inn and brewhouse.
  
23. The Clock Vault, North Shields had a small brewery being used as a stable in 1873 (*Newcastle Daily Journal* 1.9.1873) and three floors of the Coach and Horses Brewery in Newcastle were being used for candlemaking in 1874 (*Newcastle Daily Journal* 13.6.1874). Unused breweries at this time included those at the Grey Bull, Newcastle and the Lord Seaham, Seaham (*Newcastle Daily Journal* 17.11.1873 and 14.6.1876). Sale notices for the Goat Inn, Gateshead; Brink's White Lion Hotel, Houghton—le—Spring; and the Eagle, Bishop Auckland (*Newcastle Daily Journal* 19.7.1871 and 22.6.1878 and *Newcastle Daily Chronicle* 28.7.1871) include references to breweries in good working order. The Shaftoe Arms, Spennymoor; the White Swan, Greenside; the Turks Head Hotel, Darlington; and the King's Arms Inn, Durham were all offered for sale with brewhouses (*Newcastle Daily Journal* 15.3.1873, 29.11.1873, 20.9.1876 and 23.9.1876). The Green Tree, with adjoining land, brewery and other buildings went onto the market in 1873. The purchaser, however, was required to pull down the inn and the brewery, and erect a new inn in accordance with the plans of the Town Improvement Committee (*Newcastle Daily Journal* 11.1.1873).
  
24. For example, the Black Bull's Head in Newcastle had a brewery but was purchased by J. Mitcheson who had brewing facilities elsewhere (*Newcastle Daily Journal* 8.11.1879 and Newcastle Lic Reg TWAS MG/Nc/9/1—4 and 10/1—3).
  
25. *Newcastle Daily Journal* 12.5.1877, 24.5.1877 and 24.5.1881  
Breweries were also known to be operating at the Wellington Hotel, Middlesbrough in 1875; the Albion Inn, Newcastle in 1878; the Fountain Inn, Gateshead in 1882; and at the Battery, Newcastle until 1885 (*Newcastle Daily Journal* 17.3.1875, 1.5.1878, 20.12.1882 and 30.5.1885).
  
26. J. Gallon of Wolsingham, A. Watkins of Haltwhistle, H. Brewis of Morpeth, R. Craft of Easington and R. Cater of Trimdon were all brewing in the late 1860s (see *Mercer & Crocker's* 1868) but had ceased by 1873 (*Kelly's* 1873). In Newcastle, James Smith stopped brewing in 1873 and Sutherland and Co. in 1874 (*Newcastle Daily Journal* 11.10.1873 and 31.12.1874). Mitcheson's Brunel Street Brewery appears to have closed by 1878 when in *Ward's* 1877 Mitcheson was no longer listed as a 'brewer' but as a 'gentleman'. J.H.

Bainbridge of Bishop Auckland and J. Harvey of the Wellhouse Brewery, Ferryhill are both listed for the last time in *Kelly's* 1877. T. Allen of Anfield Plain and G. Davison of Wingate were listed for the last time in *Kelly's* 1879. Mrs MacDonald of Belford diversified into brewing around 1869 but within ten years was again listed in directories simply as a chemist and grocer (*Kelly's* 1879). The Shieldfield Brewery went on the market in 1878 (*Newcastle Daily Journal* 1.5.1878) but the last directory listing of a brewery was in *Ward's* 1881. Wm. Young's Tees Brewery, Wm. Armstrong of Wark and W & J Dixon of Cockfield were listed in *Kelly's* 1879 but were no longer brewing by *Slater's* 1884. The last entry for Morris of Usworth is in this latter directory. Wm. Ramshaw of Durham is listed as a brewer in *Walker's* 1883, as a brewer's agent in *Slater's* 1884 and no longer listed by *Walker's* 1887. Milburn ceased brewing c1887 (*Slater's* 1884 and *Kelly's* 1890).

27. *Brewers' Guardian* 7.2.1888 and 11.3.1884.
28. This process, by which the closure of small breweries left one or more dominant large brewer remaining in a particular town, appears to have occurred in Durham, Morpeth, Alnwick, Sunderland, Hartlepool, Bishop Auckland and Barnard Castle (Appendices 1, 2 & 3).
29. *Brewers' Guardian* 19.2.1889.
30. The Wear Valley brewery had a ten quarter brewing plant (Appendix 5) but the Wolsingham Brewery's capacity was described as capable of brewing 25 barrels at each brewing (*Newcastle Daily Journal* 24.3.1883). However, data available for the Alnwick Brewery (*Alnwick Gazette* 24.5.1890) expressed as 12 quarters and 30 barrels per brewing suggests that the Wolsingham Brewery's capacity was around 10 quarters.
31. For the Victoria Brewery see *Tyneside Industries* (1889) p.117 and *Newcastle Daily Journal* 15.12.1882; for Rowell's see *Newcastle Daily Chronicle* 30.7.1896; for Smart's see *Alnwick Journal*, December 1873 and *Newcastle Daily Journal* 24.1.1895; for Kirk Bros. see *Industries of Yorkshire* (1890) p.252; and for Loades see *Newcastle Daily Journal* 13.5.1908 and *DA of Morpeth* (1894) p.20.
32. For Bramwell and Scurfield's dissolution see *Brewers' Guardian* 20.10.1885. The Wood brewery appears under Wood and Maxwell in *Ward's* 1875 but as Matthew Wood in *Kelly's* 1877. For the Border Brewery see *DA Berwick* (1894) p.4 and *Newcastle Daily Journal* 9.11.1896 and for the Bishop Middleham Brewery see *Walker's* 1874, p.51. The Chester Brewery appears under Fenwick & Storey in *Kelly's* 1879 but as Fenwick & Co in *Slater's* of the same year.
33. For Emmerson see *Brewer's Guardian* 15.1.1884 and *DA Newcastle* (1894) p.126. The Flying Horse Brewery was let for a while but closed when the inn was rebuilt in 1884 (*Newcastle Daily Journal* 20.3.1880 & 5.3.1884). For Ridley, Cutter and Firth see *Rivers of the North* (1894) p.176 and *Brewers' Guardian* 10.1.1888. In 1873 the partnership between J. Smurthwaite and Wm. Hunter was dissolved and two years later Smurthwaite's next partnership with A.F. Girdwood was dissolved. A partnership between Smurthwaite and F.A. Alston went into liquidation in 1883 and a partnership which followed with Phillips was dissolved in 1886 (*Newcastle*

- Daily Journal* 26.8.1873 and *Brewers' Guardian* 1.6.1875, 3.7.1883 and 14.12.1886).
34. The company was registered in 1890 based upon an agreement made in October 1889 (*Brewers' Guardian* 8.3.1889).
  35. Papers on Reed v Boyd in Chancery, in case involving the Trustees of John Barras/1885 R no 191, 1886–87, TWAS 1463/270; *Newcastle Journal* 13.8.83 and 14.5.1884 and Barras Min TWAS 1463/1.
  36. For example, Ramsey, Gilchrist & Ramsey of Seaton Carew became Ramsey & Gilchrist in 1882 (*Brewers' Guardian* 14.2.1882), and at the Stella Brewery, Blaydon, directory entries show a change of proprietorship from J.P. Dalton to his executors (*Kelly's* 1877) and then to J. & H. Dalton (*Ward's* 1881). Similarly, Thos. Fox & Sons of the Norton Brewery became J.H. Fox c1873 (*Mercer & Crocker's* 1868 and *Kelly's* 1873).
  37. *Darlington and Stockton Times* 16.8.84 and 1.11.1930.
  38. For the West Auckland Brewery see 'West Auckland Brewery Co.' in RICHMOND, L. & STOCKFORD, B. *Company Archives, The Survey of the Records of 1000 of the First Registered Companies in England and Wales* (Aldershot 1986) p.297 and WAB Min 1 DCR0 D/WAB/2. The premises – including house, gardens, offices, tun house, maltings, engine house, cellars, cottages and stables – were taken on a 21 year lease at £150 per annum from Sir Wm. Eden. The company was responsible for all repairs and had to undertake to spend £2500 on the premises. The company was also required to obtain and maintain, at their own expense, water for their business, although Eden undertook to grant them land outside the premises for sinking wells. For Cameron's see WOOD, R, *The Lion Brewery. A Short History* (West Hartlepool 1963) pp. 9–10. At the Alnwick Brewery in 1870, the firm of Thompson & Davison took into partnership their traveller and some younger members of their family to form Thompson, Davison and Co. When this went into liquidation in 1877, Davison, Powell & Davison was formed to purchase the plant, stock and debts. Changes within this partnership followed in 1878 and then Mason Bros. purchased the Alnwick Brewery in 1880 and launched a thorough renewal of all the plant. By 1890 a company was being formed to purchase Mason Bros. (*Alnwick Journal* July 1870 and January 1878, *Newcastle Daily Journal* 2.11.1877 and 25.5.1878 and *Brewers' Guardian* 4.1.1881 and 30.9.1890). In South Shields, Robert Bell retired from the Ferry Brewery in 1880 and the building was rented by Wm. Turnbull (*Newcastle Daily Journal* 18.9.1880 and *Ward's* 1885). In Newcastle, following the death of the Hanover Square Brewery proprietor, Robert Fletcher, the licensed houses were sold and the brewery let. Brewing was then conducted by John Buchanan, who had started out at the South Street Brewery in 1879. (*Newcastle Daily Journal* 7.8.1883, 8.8.1883 and 5.1.1884 and *Tyneside Industries* (1889) p.147).
  39. For Jas. Deuchar see *Newcastle Daily Journal* 30.11.1887; ROWE, D.J. 'James Deuchar' in JEREMY, D.J. and SHAW, C. *Dictionary of Business Biography* (1984) Vol 2 pp. 83–5 and Newcastle Lic Reg TWAS MG/Nc/9/1–4 and 10/1–3. For Robt. Deuchar see *Newcastle Daily Journal* 20.10.1884 and 23.11.1889. In 1888 Robt. Deuchar owned 8 licensed premises in Newcastle (Newcastle Lic Reg TWAS MG/Nc/9/1–4 and 10/1–3).

40. The Wooler Brewery was advertised in *Newcastle Daily Journal* 23.11.1878 and 30.11.1878. For changes at the Monkseaton Brewery see *Brewers' Guardian* 10.12.1875 and 29.11.1887 and *Newcastle Daily Journal* 26.3.1879, 29.3.1879, 16.4.1879, 27.1.1886 and 28.12.1887.
41. T.G. Renwick & J. Montgomery was dissolved on 31.10.1874 (*Brewers' Guardian* 16.4.1875). On their takeover by Cameron's in 1897, Chapman and Co. were described as being established over 100 years (*Newcastle Daily Chronicle* 6.12.1897). For Nixey & Coleclough see *South Durham Herald* 20.8.1881.
42. Nimmo began with £1000 capital but the purchase of the brewery and its 20 public houses meant he acquired mortgages totalling £10253. He estimated his annual profit at £600. The first attempt to dispose of the brewery was made immediately after the bankruptcy but was not sold until a new partnership, Craig & Cordner, was formed to revive brewing there in 1897 (*Brewers' Guardian* 19.5.1885 and *Sunderland Daily Echo* 13.8.1885 and 7.4.1897).
43. *Darlington and Stockton Times* 9.8.1884 and 13.10.1894 and *Brewers' Guardian* 7.4.1885, 11.8.1885, 15.12.1895 and 10.8.1886. The company was registered on 5.12.1882 with capital of £10000. Hutchinson was one of the founders but did not become a director (*Brewers' Guardian* 19.12.1882).
44. Two unsuccessful attempts were made to sell the Elswick Brewery in 1875 and 1876, and when an auction in 1877 failed to find a buyer it was offered for sale by private contract. Directory entries show Wilkinson operating there from 1880 (*Newcastle Daily Journal* 13.11.1875, 7.9.1876, 16.6.1877 and 28.7.1877 and *Jackson's* 1880). In another case it is not known why Wm. Laws stopped brewing at the Blandford Brewery in Newcastle, which he had been renting in 1870. The announcement of the formation of Ourbridge and Archibald and their takeover of the brewery was made in 1879. (*Newcastle Daily Chronicle* 18.3.1870 and *Newcastle Daily Journal* 20.6.1879). Another change of ownership in Newcastle was at the brewery attached to the White Lion Inn. It went on sale a number of times in the early 1870s and was brewing until 1890 when it went to auction but failed to attract a bid. (*Newcastle Daily Journal* 7.12.1872, 17.11.1873, 28.2.1874, 18.1.1890 and 30.1.1890). For McLean see Partnership Agreement between M.H. Mawson and J. McLean, 1889, DCRO D/HH/2/10/798.
45. For the Victoria Brewery, Darlington see *Brewers' Guardian* 17.2.1889 and *Northern Echo* 5.9.1889; for the Tynemouth Brewery see *Tyneside Industries* (1889) p.198; and for the first appearances of the three rural breweries see *Kelly's* 1877 and 1879. An unattributed quotation in TWEDDLE, H.A. *Town Trail for Morpethians*, No. 5 (Morpeth 1986) p.13 refers to the Hope & Anchor Brewery as a building with "steam working apparatus" and also extensive cellarage and stabling for ten horses. Rickinson acquired the Union Brewery around the mid-1870s (*Kelly's* 1873 and 1877). T.R.M. Plews had controlled the wine and spirit business, Plews & Sons since 1867. This firm also became ale and porter merchants with branches in Darlington, Middlesbrough and Durham, and T.R.M. Plews also had interests in malting. In the late 1860s a brother, J.M. Plews, had succeeded to his uncle's brewing business at the Vale of Mowbray Brewery, Leeming Lane. On the death of



T.R.M. Plews in 1884, J.M. Plews took charge of Plews & Sons, effectively amalgamating the two firms (*Newcastle Daily Journal* 11.1.1867 and 23.11.1874 and *Brewers' Guardian* 21.1.1890).

46. *Newcastle Daily Journal* 24.9.1895 and *Newcastle Daily Chronicle* 1.10.1925.
47. For Knights, Stocks & Co.'s financial troubles see *Brewers' Guardian* 29.1.1884 and 30.4.1889. The company was registered on 8.12.1881 with a nominal capital of £60,000 to acquire the business of J. Knights. The constitution and history of the acquired firm are not clear, although it seems that an earlier partnership had been dissolved in 1875 (*Brewers' Guardian* 16.11.1875 and 20.12.1881). The first directory entry for the Bleachfield Brewery was in *Kelly's* 1877 and letting notices appeared shortly afterwards (*Newcastle Daily Journal* 17.4.1878 and 16.4.1879).
48. The most detailed information on capacities is found in press announcements by auctioneers, so if a brewery remained in the same ownership, or changed hands by private treaty rather than at public auction, then no such account would appear in public print. With regard to illustrated directories, a brewery may have chosen not to be included or, if included, may have used its entry to describe its management or products rather than its production facilities. Where information is available in terms of quarters, this is a measure of capacity and may be more than market conditions at any time require in terms of output. Nor is it unreasonable to suppose that breweries going through extensive alterations and re-equipping may well have built in extra capacity for future expansion from current levels. Similarly, where information is given in terms of barrelage there may also be a discrepancy between that and current output, since the sales of some breweries were prompted by bankruptcy or at least doubts about financial viability, and the seller may wish to emphasise potential rather than current levels of activity. The inadequacy of information about the size of each brewing without complementary information on the number of brewings per period is illustrated in those cases where the number of brewings is provided. These confirm that some breweries brewed four times and some brewed five times per week. For example, in 1874 the Ducrow Inn Brewery, Newcastle was described as capable of "brewing 15 half barrels" and also "turning out 60 half barrels weekly" (*Newcastle Daily Journal* 25.3.1874 and 6.6.1874). This indicates four brewings a week, whilst the Church Street Brewery, Middlesbrough is described in 1875 as an 8 quarter brewery with a weekly output of 40 quarters (*Newcastle Daily Journal* 7.4.1875). With regard to the convertability of barrels and quarters, LEVI, L. *The Liquor Trades. A Report for M.T. Bass Esq MP on the Capital Invested and the Number of Persons Employed Therein* (London 1871) assumes an average brewery "fitted up to mash ten quarters a day, and working six days a week in the six winter months, brewing in all about 2300 quarters a year and producing 9200 barrels". The basis of Levi's calculation is therefore a ratio of 4 barrels of beer to each quarter of malt used, or 910 barrels per annum per quarter capacity. The precise relationship between capacity and actual output depended on the strength and type of the product brewed, and the efficiency of the brewing process. Nevertheless, the order of magnitude does not vary dramatically when we consider other pieces of evidence available that convert quarters to barrelage. For example, when discussing brewery sizes the *Brewers' Guardian* (11.3.1884 and 19.2.1889) appears to regard 1000 barrels as the annual output from each quarter of capacity. In 1889, the 60 quarter

North Riding Brewery of Knights, Stocks & Co. was said to be capable of 50,000 barrels per annum (*Brewers' Guardian* 30.4.1889), which would give an annual output of 833 barrels per quarter.

49. *Brewers' Guardian* 5.3.1889.
50. For example, in large capacity breweries strict adherence to the ultimate gravitation model would involve very tall buildings where the necessary foundations and the strengthening of the building's structure could prove financially prohibitive. It was also felt advisable to introduce an element of flexibility into design which would permit future extensions in capacity and changes in equipment without too much disturbance of overall arrangements. For particular pieces of equipment, other considerations came into play. With coppers, for instance, their siting had to recognise the future need to replace them whole rather than constructing and riveting replacements in situ. In addition, the siting of a copper in its most effective position according to the gravitation sequence may have created extra problems and expense with the hoisting of coal to the necessary height. There was also a general feeling that boilers, coppers and hop backs should be isolated to ensure the actual brewing remained free from the steam. The above considerations, plus others such as the disposal of waste at certain stages, meant that breweries were arranged on modified gravitation principles. (SCAMELL, G. *Breweries and Maltings : Their Arrangement, Construction, Machinery and Plant*, 2nd Edition, Revised by F. Colyer [1880], pp. 5–6).
51. SCAMELL (1880) p.5.
52. *Brewers' Guardian* 5.3.1889.
53. For the Tower Brewery see SURTEES, H.C. *The History of the Parishes of Tudhoe and Sunnybrow in the County Palatine of Durham* (Newcastle 1925) p.16; for the Victoria Brewery see *Northern Echo* 5.9.1889; for Cameron's see *Brewers' Guardian* 29.12.1874; for the Mill Dam Brewery see *Newcastle Daily Journal* 1.5.1875; and for Fenwick's see *DA of Durham* (1894) p.48.
54. For Alnwick Brewery see unidentified newspaper cutting, dated 14.10.1881, in Alnwick Newspaper Cuttings, Vol. 1, p.238, Newcastle Central Library; for the Victoria Brewery see *Tyneside Industries* (1889) p.117 and City of Newcastle Planning Application TWAS 186/9790; for the Hanover Square Brewery see *Tyneside Industries* (1889) p.148; and for the Swalwell Brewery see BOURN, W. *Whickham Parish. Its History, Antiquities and Industries* (Carlisle 1893) p.115. Amongst other North East breweries, the Blandford Brewery of Ourbridge and Archibald was a four-storeyed building. The top floor accommodated operations up to and including the boiling of wort, the floor below was where cooling took place and below that, fermentation. The ground floor was used for storage (*Tyneside Industries* [1889] p.153). Brewing was carried on over two floors at the Arthur's Hill Brewery which was re-fitted in 1890, thirty years after it was originally built. The top floor contained malt stores and grist mill. The floor below was effectively divided into two rooms; one containing mash tun and brewing copper, the other housing coolers, refrigerators and fermenting vessels. Following the advice of the time, the wort copper fire, the boiler and the engine were situated in a separate shed which meant no fires in the brewery (*DA of Newcastle* [1894] p.77). Other breweries known to be operating along similar lines were the

Leazes Brewery, described as "entirely worked on the gravitation principle" (*Tyneside Industries* [1889] p.113); Emmerson's brewery described as a "lofty tower brewery" (*DA Newcastle* [1894] p.126); and at the Castle Brewery in Stockton, the main five-storey building was said to be "an immense one raised to this height in order that the gravitation system be brought into action" (*Industries of Yorkshire* [1890] p.252). Another North East brewery, the Flying Horse Brewery in Newcastle was described as being "on the tower principle" (*Newcastle Daily Journal* 20.3.1880). A number of breweries about which little is known about their actual layout do nevertheless suggest, by virtue of the size of their buildings, that gravitation was an important element. For example, both the Manor Brewery and the main buildings of the Tyne Brewery ran to six storeys, the latter having undergone an entire refit (*Brewers' Guardian* 19.6.1883, *Rivers of North* [1894] p.176 and *Tyneside Industries* [1889] p.108).

55. *DA of Durham* (1894) pp 46–7 and *Blyth Weekly News* 12.9.1891.
56. For the Victoria Brewery see *Northern Echo* 5.9.1889; for the Hanover Square Brewery see *Tyneside Industries* (1889) p.147; for Robinson Bros., Fenwick's and Johnson's see *DA Durham* (1894) pp. 46–7, 30–2 and 48; for Allison see *Newcastle Daily Journal* 30.11.1887; for Sanderson see City of Newcastle Planning Application TWAS T186/13263; for West Auckland Brewery see WAB Min 1 DCRO D/WAB 2; for Cameron's see *Brewers' Guardian* 23.9.1884; for Barras see Barras Prospectus TWAS 1463/2; for St. John see *IG Sunderland* (1898) p.109; and for Border Brewery see *DA Berwick* (1894) p.4.
57. For Deuchar see *DA Newcastle* (1894) p.107; for the City Brewery and Robinson Bros. see *DA Durham* (1894) pp. 30–2, 46–7; for the Eastbourne Brewery see *Darlington & Stockton Times* 16.8.1884; and for the Victoria Brewery see *Northern Echo* 5.9.1889.
58. For the Tyne Brewery see Barras Prospectus TWAS 1463/2 and for Tucker's *Newcastle Daily Journal* 8.7.1891. In the mid-70s a number of smaller undertakings had stabling for only two or three horses e.g. the Newcastle brewery of James Smith had a two-stalled stable in 1873 and Messrs. Sutherland & Co. had stabling for two horses in 1874 (*Newcastle Daily Journal* 11.10.1873 and 3.12.1874). Meanwhile, the Grey Horse Brewery and the Northumberland Brewery, both Newcastle, had buildings to accommodate 6 and 8 horses respectively (*Newcastle Daily Journal* 12.6.1876 and 30.1.1877). At the end of the 1880s Joseph Johnson had stabling for a dozen horses (*DA Durham* [1894] pp. 30–2).
59. *Newcastle Daily Journal* 10.4.1881.
60. These three breweries all occupied sites of 2 acres (*IG Sunderland* [1898] p.80, *Rivers of the North* [1894] p.176 and *DA Hartlepool* [1894] p.31).
61. The Castle Brewery at Stockton, for example, covered less than a third of an acre (*Industries of Yorkshire* [1890] p.252). Meanwhile, Bass, the extreme case, had three establishments covering a total of 145 acres. Allsopp's new brewery occupied 50 acres, Aitken's Falkirk brewery five acres, Whitbread's four acres and Wm. Younger's Hollyrood Brewery was spread over three acres and the adjoining Abbey Brewery also covered several acres

- (BARNARD, A. *The Noted Breweries of Great Britain and Ireland* [London 1889] Vol 1, p.49 and Vol. II, pp 8, 23, 192, 201).
62. BRADFORD, Wm. 'Brewery Construction' (Paper presented at Brewers' Congress 27.10.1885), reprinted in *Brewers' Guardian* 17.11.1885.
  63. *Newcastle Daily Journal*, 27.7.1881 and TOMLINSON, W.W. *Historical Notes on Cullercoats, Whitley and Monkseaton* (London 1893) p.59.
  64. For the Wylam, Allendale and Morpeth Old breweries see *Newcastle Daily Journal* 11.8.1880, 29.10.1884 and 29.11.1873. At West Auckland in 1886, for example, the farm showed a loss of £224 and the directors resolved that a little more attention be paid to the farm (WAB Min 1 DCRO D/WAB/2). Advertisements for hay etc. placed by the Ovingham, Blyth and Ovington breweries appear, for example, in *Newcastle Daily Journal* 15.4.1876 and 22.11.1876 and *Newcastle Daily Chronicle* 24.12.1875. Amongst those selling spent grains was Ayton & Co. at £7 per ton (*Newcastle Daily Chronicle* 13.10.1871).
  65. *Hexham Courant* 11.12.1869.
  66. For statements on the quality of Sunderland's water see, for example, LOVIBOND, T.W. 'The Brewing Trade of the Tyne' in British Association, *Handbook to the Industries of Newcastle District* (1889) pp. 229–32 and also 'Sunderland and the Brewing Industry' in *Newcastle & Gateshead Chamber of Commerce Journal*, Exhibition Year Supplement, 1929. For those Sunderland brewers using well-water see POTTS (1892) p.13. Supplies of well or spring water were said, for example, to be found on the premises of the Angel Brewery, Alnwick; King's Head Brewery, Easington; Monkseaton Brewery; Eastbourne Brewery, Darlington; and the Victoria Brewery, Darlington (*Newcastle Daily Journal* 2.9.1874 and 29.3.1879, *Sunderland Daily Echo* 4.5.1878, *Darlington & Stockton Times* 16.8.1884 and *Northern Echo* 5.9.1889).
  67. WAB Min 1 DCRO D/WAB/2.
  68. For example, the Northumberland Brewery, Hexham and Morpeth Brewery (*Newcastle Daily Journal* 18.8.1880 and 16.8.1884).
  69. *Newcastle Daily Journal* 1.7.1933.
  70. For Alnwick Brewery see Alnwick Newspaper Cutting (as 54 above); for Fenwick see POTTS (1892) p.13; for Nixey & Coleclough see *DA Hartlepoons* (1894) p.25; and for the Crown Brewery and Victoria Brewery see *Brewers' Guardian* 21.1.1890. Also around 1890, the Swalwell Brewery was obtaining water from a 200 ft well (BOURN [1893] p.115) and Kirk Bros. from a 300 ft well (*Industries of Yorkshire* [1890] p.252).
  71. Of the eight breweries for which the type of machine is known, five relied on Steele's patent machine, one adopted a Ryder machine, another had a Maitland self-acting machine, and one brewery had three different machines by Steele, Gregory and Wilson (*Sunderland Times* 16.6.1876, *DA Durham* (1894) p.30–2, *Tyneside Industries* (1889), p.147 and *Newcastle Daily Journal* 6.1.1875, 18.2.1883, 5.1.1884, 3.3.1884 and 8.3.1884. WILKINS, T. 'The

Machinery and Utensils of a Brewery', *Transactions of the Society of Engineers*, 1871 pp. 10–28 states that Steele's machine is "one of the most used". SCAMELL (1880) p.63 describes Steele's machine as having the greatest success.

72. Morton's machines were known to be installed in at least nine local breweries (see *Newcastle Daily Journal* 7.4.1875, 20.3.1880, 3.3.1883, 18.2.1883, 5.1.1884, 23.6.1884 and 31.5.1890 and *Darlington & Stockton Times* 16.8.1884). For the City and Barras Bridge breweries see *DA Durham* (1894) pp. 30–2 and *Newcastle Daily Journal* 31.5.1890.
73. WAB Min 1 DCRO D/WAB/2.
74. see WILKINS (1871)  
After improvements were made to windmills in the 1880s there were those who continued to advocate their adoption by brewers as a cheap form of energy (see *Brewing Trade Review* 1.4.1900). There is, however, no evidence of wind power being taken up by breweries.
75. *Newcastle Daily Journal* 22.4.1874 and 30.11.1878.
76. *Newcastle Daily Journal* 23.5.1877.
77. See WILKINS (1871)  
Although the exact sizes are not known, the Old Brewery Hexham; Bink's White Lion Hotel Brewery, Houghton-le-Spring; and the South Durham Brewery, Darlington were using engines described as "small" (*Newcastle Daily Journal* 6.1.1875, *Newcastle Daily Chronicle* 28.7.1871 and *Darlington & Stockton Times* 9.8.1884).
78. For the trend towards horizontal machines see CROWLEY, T. 'Beer and Steam', *Brewing Review*, Autumn 1983 pp. 18–20. For the vertical engines known to be in use see *Newcastle Daily Chronicle* 13.10.1868, *Sunderland Daily Echo* 4.5.1878 and *Newcastle Daily Journal* 30.1.1877, 2.10.1880 and 8.4.1893. For the Northumberland, Barras Bridge and Sanderson breweries see *Newcastle Daily Journal* 3.3.1883, 31.5.1890 and 15.7.1874.
79. For the Tyne Brewery Co's and Barras's engines see *Newcastle Daily Chronicle* 24.3.1882 and *Newcastle Daily Journal* 8.3.1884; for Alnwick Brewery see Alnwick Newspaper Cutting (as 54 above); and for Robinson Bros. see *DA Durham* pp 46–47. The earliest documented horizontal engine is in 1873 at James Smith's brewery (*Newcastle Daily Journal* 11.10.1873).
80. For Emmerson see *DA Newcastle* (1894) p.126 and for the Swalwell Brewery see *DA Newcastle* (1894) p.123 and BOURN (1893) p.115.
81. *Rivers of the North* (1894) p.176.
82. *DA of Hartlepool* (1894) p.31.
83. Schedule of Fixtures at Castle Eden Brewery DCRO D/CG5/1324.

### ENDNOTES : CHAPTER 3

- 1 For example, in 1872 J. Rees, the local agent for the Burton beers of Allsopp and Bass was advertising daily deliveries to all parts of Newcastle and Gateshead (*Newcastle Daily Journal* 12.11.1872). Similarly, in 1877, A. Laing, agent for Jeffrey & Co. of Edinburgh, "delivered free by his own wagons to all the principal towns and villages in neighbourhood" (*Newcastle Daily Journal* 7.3.1877).
- 2 For example, F.M. Laing, who had originally operated single-handedly over a large area of Northern England, recruited a representative for south Durham and Yorkshire in 1878 (*Newcastle Daily Journal* 9.2.1878). J. Shorthose, Bass's agent, was expected to cover a 20 mile radius (*Newcastle Daily Journal* 29.12.1894). In 1882 an Edinburgh brewer advertised for a traveller to represent him in "Newcastle and fifty miles around" (*Newcastle Daily Journal* 10.6.1882). Whilst the sizes of most territories are not documented, outside brewers advertised from time to time for representatives in such areas as Newcastle & District, Stockton & District and the Middlesbrough District (*Newcastle Daily Journal* 5.7.1872, 14.7.1875 and 3.3.1880). When it came to 'new ground', one brewer advertising for a traveller to open up new ground in Newcastle, Tyneside and Sunderland indicated that the person appointed would be employed in "a made ground" in another district part of the time (*Newcastle Daily Journal* 30.9.1882).
- 3 See, for example, recruitment advertisements in *Newcastle Daily Journal* 8.5.1875, 6.11.1875, 21.11.1876, 17.2.1877, 8.8.1877, 25.1.1879 & 5.1.1881.
- 4 For Bass's national system see BARNARD, A. *Noted Breweries of Great Britain and Ireland* (London 1899), Vol. 1, p.118. Information on the company's North East business was supplied by the Bass Archive.
- 5 *Brewers' Guardian* 11.3.1884.
- 6 *Newcastle Daily Journal* 11.12.1875.
- 7 For Wm. Younger see DONNACHIE, I *A History of the Brewing Industry in Scotland* (Edinburgh 1979) Table 76, p.217. Prospectus of Edinburgh United Breweries Ltd., (*Newcastle Daily Journal* 18.12.1889) states, for example, that G. Ritchie & Sons had a "large trade done with the North of England" with "principal agencies in Newcastle and Sunderland".
- 8 *Newcastle Courant* 9.4.1881.
- 9 For example, KNOX, D.M. *The Development of the London Brewing Industry, 1830–1914 with special reference to Whitbread and Company* (Unpub. M. Litt Thesis, Oxford University, 1956) p.81 refers to "the scramble for tied houses"; BAXTER, J. *The Organisation of the Brewing Industry* (Unpub. PhD Thesis, London University, 1945) p.75 refers to the "scramble for licenced houses"; VAIZEY, J.E. *The Brewing Industry, 1886–1952* (London 1960) p.10 refers to "the scramble for licensed property"; CORRAN, H. *A History of Brewing* (London 1975) p.220 refers to "the scramble for outlets"; and HAWKINS, K.H. & PASS, C.L. *The*

- Brewing Industry. A Study in Industrial Organisation and Public Policy* (London 1979) p.29 refer to the "scramble for licensed property".
- 10 *Royal Commission on Liquor Licensing Laws*, Final Report, 1899 (Cmnd 9739) p.7.
  - 11 WILSON, G.B. *Alcohol and the Nation* (London 1940) p.84.
  - 12 *Minutes of Evidence taken before the Royal Commission on Licensing (England & Wales)* 1931 p.760.
  - 13 Durham City Lic Reg DCRO PS/Du/29
  - 14 *Return of (1) the Number of On-Licences in each Licensing District where the Tenant and Owner on the Register are Different Persons; and (2) the Number of Persons in Each District, and the Names of such Persons who are on the Register as Owners of two or more etc.* 16.6.1892.
  - 15 HAWKINS & PASS (1979) p.25.
  - 16 After the successful flotation of Guinness in 1886, other brewers were incorporated. The *Brewers' Guardian* estimated the number of brewers forming limited companies to be 36 in 1887 and 80 in 1888 (*Brewers' Guardian* 10.7.1888 & 8.1.1889). The first incorporation in the North East was that of Barras & Co. in 1889 but many others did not take place until the mid-1890s.
  - 17 Newcastle Lic Reg TWAS/MG/Nc/9/1-4 & 10/1-3 and S Easington Lic Reg DCRO PS/CE 27.
  - 18 Apart from one property in Gateshead, all Sutter's houses were in the same area of Westgate Hill, Newcastle (*Newcastle Daily Journal* 1.11.1879). For the Ferry Brewery see *Newcastle Daily Journal* 25.11.1882 and for Fenwick's see Mid Chester Lic Reg DCRO PS/La 79.
  - 19 For the Allendale Brewery, for example, a tied estate of 11 houses meant 3 in Allendale town and another in nearby Catton, plus 3 in Weardale, 3 in the Tyne Valley and 1 in Alston (*Newcastle Daily Journal* 29.10.1884).
  - 20 Newcastle Lic Reg TWAS MG/Nc/9/1-4 & 10/1-3.
  - 21 List of No. 2, Blyth Section, Morpeth Division, Licences Houses (NCRO PS5/119). The list is undated but appears to have been prepared for the licensing justices in the early 1890s. It includes references to Newcastle Breweries which began life in 1890 and Reid Bros. which ceased to exist in 1891 when it became part of W.B. Reid.
  - 22 In 1888, J.H. Graham owned 8 properties in Newcastle whilst F.M. Laing and J. Robinson each owned 6 properties. At that time only six brewers held 6 or more properties (Newcastle Lic Reg TWAS MG/Nc/9/1-4 & 10/1-3).
  - 23 see DONNACHIE (1979) pp. 212-3 & KNOX (1956) pp. 73-87.

- 24 *Newcastle Daily Journal* 15.12.1877.
- 25 WAB Min 1 DCRO D/WAB/2.
- 26 WAB Min 1 DCRO D/WAB/2.
- 27 WAB Min 1 DCRO D/WAB/2
- 28 The company took out a five year lease on the property of Thos. Metcalfe, wine and spirit merchant, of Bishop Auckland. In 1878 negotiations had taken place with the intention of buying the business of Matthew Morgan, wine merchants of Bishop Auckland, but a deal was never concluded. (WAB Min 1 DCRO D/WAB/2).
- 29 In 1879, for example, the company raised £3700 on mortgages on five properties at 5%. Money was borrowed in a similar manner on other occasions. In 1884 the company raised £13000 from a building society on a mortgage of 17 properties (WAB Min 1 DCRO D/WAB/2).
- 30 WAB Min 1 DCRO D/WAB/2.
- 31 See Chapter 2, Section 2.2.2.
- 32 See Chapter 2, Section 2.3.2.
- 33 For the Swalwell Brewery see *Brewer's Guardian* 15.1.1884 and for the Border Brewery see *D.A. Berwick* (1894) p.4.
- 34 For Robinson Bros. see *D.A. Durham*, pp. 46–47. Of the proprietors of the Chester-le-Street Brewery, two lived in the south of England and the third was the MP for the Houghton-le-Spring division. The manager, therefore, who was resident at the brewery, had a prime role in directing operations. The brewery also had the same brewer for fifty years (*Brewers' Guardian* 2.9.1890). Before moving north, Nixey had previously worked at Phillips' Mortlake Brewery and breweries at Tiverton and Henley, whilst Coleclough had a long connection with Allsopp's of Burton (*South Durham Herald* 20.8.1881 & 15.11.1890).
- 35 *Newcastle Daily Journal* 17.12.1889.
- 36 See Chapter 1, Section 1.3.2.
- 37 *Newcastle Daily Journal* 4.4.1910 and *D.A. Newcastle* (1894) p.107.
- 38 *Journal of the Institute of Brewing*, 1918, p.235; *Brewers' Guardian* 19.4.1887 and Barras Min TWAS 1463/2.
- 39 Lectures were also given at the Universities of Glasgow, Liverpool, Manchester and Nottingham, although most of the candidates for the City and Guilds Institutes examinations came from University College (see *Brewers' Guardian* 27.7.1886).
- 40 WAB Min 1 DCRO D/WAB/2.



- 41     *Engineering* 19.4.1889.
- 42     WAB Min 1 DCRO D/WAB/2
- 43     *Newcastle Daily Journal* 24.11.1887.
- 44     LOVIBOND, T.W. 'The Brewing Trade of the Tyne' in British Association,  
       *Handbook to the Industries of Newcastle District* (Newcastle 1889) pp.  
       227–32.
- 45     LOVIBOND (1889).
- 46     LOVIBOND (1889).  
       As late as 1882, Barras & Co. had advertised themselves as "brewers of the  
       celebrated mild ales" with no reference to other products (*Ward's* 1881).

## ENDNOTES : CHAPTER 4

- 1 Ret of Brew Lic for 1870, 1890 & 1914.
- 2 Ret of Brew Lic for 1890–1914.
- 3 Newc B Prospectus 1890 TWAS 2319/5 and Newc B Min 1 & 2 TWAS 1463/6 & 7.
- 4 North Eastern Breweries Ltd., Prospectus, 1896 (*Newcastle Daily Chronicle* 8.12.1896) and *Brewing Trade Review* 1.4.1899.
- 5 *Breweries and Distilleries* 20.6.1891; J.W. Cameron & Co. Ltd., Prospectus, 1896 (*Newcastle Daily Chronicle* 3.6.1896); J.W. Cameron & Co. Ltd., Prospectus, 1897 (*Newcastle Daily Chronicle* 7.12.1897) and *Ports on the Tees* (1900) p.196.
- 6 John Rowell & Son Ltd., Prospectus, 1896 (*Newcastle Daily Chronicle* 30.7.1896). The Swalwell Brewery was dismantled in 1901 (*Newcastle Daily Journal* 31.5.1901). No contemporary accounts mentioned John Rowell but a brief history in the *Official Handbook of the Gateshead Corporation* (1951) p.37, states that "Messrs M. Taylor & Co., Brewers of Swalwell, with their licensed houses were acquired". It is known that 8 licensed properties changed ownership from the Swalwell Brewery to Rowell's c1901 (Blaydon Lic Reg TWAS MG/B1/4/2).
- 7 For Hopper & Anderson see *Morpeth Herald* 18.8.1890 and 17.11.1900; for Heslop and Lamb see *Brewing Trade Review* 1.1.1910 and 1.3.1909; for Belford Brewery see BARBER, N., *Where Have All the Breweries Gone?* (Swinton 1981) p.30; and for the Westoe Brewery see *Newcastle Daily Journal* 24.5.1907 and Letter dated 14.4.1907 in North Eastern Breweries. Correspondence of Thos. Humphrey DCRO D/Va 177. Information on Nimmo's was provided by the Whitbread Archive.
- 8 Archibald Arrol & Sons Ltd., Prospectus, 1895 (*Newcastle Daily Chronicle* 25.5.1895); *Brewing Trade Review* 1.9.1898; *Newcastle Daily Journal* 26.2.1895 and 27.7.1895; *Dover & Newsome Baxter*, Prospectus, 1897 (*Newcastle Daily Chronicle* 29.7.1897) and McMASTER, C. *Alloa Ale. A History of the Brewing Industry in Alloa* (Edinburgh 1985) p.16.
- 9 For Wardle and Lamb see *Newcastle Daily Journal* 7.2.1905 and 30.5.1905; for Sutter and Wilkinson see *Newcastle Daily Journal* 2.2.1899, 10.1.1906 and 7.6.1906; for Munnoch see *Newcastle Daily Journal* 17.11.1891 and 27.2.1892; and for Openshaw see *Brewers' Guardian* 17.2.1891.
- 10 For sales notices see *Newcastle Daily Journal* 18.1.1890, 10.5.1890, 31.5.1890, 1.11.1890, 8.4.1893 and 17.8.1895 and *Brewers' Guardian* 24.10.1893.
- 11 Sale Notice for Mawson's Properties DCRO D/HH/2/10/740 and Report on Sale of Mawson's Properties DCRO D/HH/2/10/837.
- 12 *Brewing Trade Review* 1.6.1905.

- 13 *Brewing Trade Review* 1.11.1899, 1.10.1898 and 1.8.1918 and *Newcastle Daily Journal* 25.11.1891 and 29.11.1913.
- 14 *Brewers' Almanack and Wine and Spirit Trade Annual* 1914.
- 15 STOPES, H. *Brewery Companies* (London 1895) p.21.
- 16 When national output and material usages are expressed as index numbers (see below), there appears to be a reasonably close relationship between inputs and outputs. However, calculations made by STOPES (1895) p.9 show productivity variations between the two largest brewers in 1892–3 (Bass and Guinness) who brewed 152.6 gallons of product per quarter of malt, and the smallest group of brewers who produced 138.2 gallons. This difference is attributed to "slightly inferior materials used, less knowledge of the business, and defective or insufficient machinery" on the part of the smallest. If the assumption for North East brewers of increased materials meaning increased output is accepted, it may actually be the case that increased productivity also took place, since most firms were in the lower categories of Stopes' analysis and then progressed through amalgamation and takeover to larger groups

*Index of Beer Production and Materials Used in England  
and Wales 1890–1914*

| Year Production |       | Materials | Year | Production | Materials |
|-----------------|-------|-----------|------|------------|-----------|
| 1890            | 100   | 100       | 1903 | 116.5      | 119.0     |
| 1891            | 103.2 | 101.1     | 1904 | 114.2      | 116.9     |
| 1892            | 104.2 | 102.4     | 1905 | 111.3      | 113.4     |
| 1893            | 103.9 | 102.8     | 1906 | 110.4      | 113.7     |
| 1894            | 104.2 | 101.4     | 1907 | 111.3      | 113.8     |
| 1895            | 102.6 | 102.8     | 1908 | 111.7      | 112.0     |
| 1896            | 109.4 | 108.1     | 1909 | 107.8      | 109.3     |
| 1897            | 110.7 | 112.7     | 1910 | 106.5      | 109.8     |
| 1898            | 115.2 | 117.0     | 1911 | 108.7      | 113.0     |
| 1899            | 118.1 | 123.4     | 1912 | 113.6      | 113.6     |
| 1900            | 120.1 | 122.6     | 1913 | 112.6      | 117.1     |
| 1901            | 117.8 | 121.1     | 1914 | 116.2      | 117.3     |
| 1902            | 116.5 | 120.4     |      |            |           |

Source : Based upon MITCHELL, B.R., DEANE, P. *Abstract of British Historical Statistics* (Cambridge 1971) p.253 and Ret of Brew Lic 1890–1914.

- 17 Ret of Brew Lic 1890–1914.
- 18 *Breweries and Distilleries* 30.8.1890.

- 19 COTTRELL, P.L., *Industrial Finance 1830–1914. The Finance and Organisation of English Manufacturing Industry* (London 1983) p.169.
- 20 COTTRELL (1983) p.169.
- 21 *Brewers' Weekly* 29.3.1900.
- 22 *Newcastle Daily Journal* 31.12.1890.
- 23 North Eastern Breweries Ltd., Prospectus, 1896.
- 24 Nixey, Coleclough & Baxter Ltd., Prospectus, 1890 (*South Durham Herald* 26.7.1890); W.B. Reid & Co. Ltd., Prospectus, 1891 (*Newcastle Daily Chronicle* 12.5.1891); Simson & McPherson Ltd., Prospectus, 1896 (*Newcastle Daily Chronicle* 8.12.1896) and Dover & Newsome & Baxter, Prospectus, 1897.  
Amongst other companies which absorbed firms engaged in other branches of the trade were John Rowell who took over Gilpin & Co. (aerated water manufacturers and ale, porter and cork merchants) and 18 houses of J.M. Bruce, licensed victualler, in 1896 (John Rowell & Son Ltd., Prospectus, 1896). Jas. Deuchar acquired the "well-known business of aerated water manufacture carried on by Robt Emmerson and several freehold and copyhold public houses" in 1900 (James Deuchar Ltd., Prospectus, 1900 [*Newcastle Daily Chronicle* 26.5.1900]). Newcastle Breweries bought the houses, via Northern Breweries Corporation, of J. Routledge in 1896 (*Newcastle Daily Chronicle* 30.12.1896).
- 25 See HANNAH, L. *The Rise of the Corporate Economy* (London 1976) pp. 21–4.
- 26 O'HAGAN, H.O. *Leaves from my Life*, Vol. 1, p.240 (London 1929).
- 27 *Breweries and Distilleries* 15.3.1890.
- 28 *Statist* 17.4.1909.
- 29 COTTRELL (1983) p.166.
- 30 Newc B Min 1 TWAS 1463/6.
- 31 MACROSTY, H.W. *The Trust Movement in British Industry. A Study of Business Organisation* (London 1907) p.241.
- 32 *Stock Exchange Official Intelligence* 1914.
- 33 COTTRELL (1983) p.164.
- 34 *The Alliance Yearbook* 1917 p.71.
- 35 For example, the 1902 Prospectus for W.B. Reid & Co. Ltd. (*Newcastle Daily Chronicle* 3.11.1902) said that the capital was being raised for the purpose of "discharging mortgages on properties ..., for meeting requirements of the extended trade and for further extending the business of the company".

- 36 In 1903 the courts confirmed a resolution passed by Dover & Newsome Baxter Ltd., for a reduction of capital. Losses to the extent of £25,000 on valuation of properties had been found and it was proposed to write this off by reducing the 5000 ordinary shares from £10 to £5 each (*Brewing Trade Review* 1.6.1903). For the Deuchars' changes see Robert Deuchar Ltd., Prospectus, 1900 (*Newcastle Daily Chronicle* 26.11.1900) and James Deuchar Ltd., Prospectus, 1898 (*Newcastle Daily Chronicle* 7.10.1898).
- 37 Newc B Min 1 TWAS 1463/6 and Rowell Min 3 TWAS 2319/2/1.
- 38 Archibald Arrol and Sons, Prospectus, 1895; Archibald Arrol & Sons, Prospectus, 1899 (*Newcastle Daily Chronicle* 1.8.1899) and DONNACHIE, I. *A History of the Brewing Industry in Scotland* (Edinburgh 1979) p.173.
- 39 *Brewing Trade Review* 1.2.1909.
- 40 McMASTER (1985) p.16.
- 41 *Brewing Trade Review* 1.9.1898.
- 42 McMASTER (1985) p.54.
- 43 Robert Deuchar Ltd., Prospectus, 1900 and *Scotsman* 26.7.1899 and 27.7.1899.
- 44 Simson & McPherson Ltd., Prospectus, 1896; R. Deuchar Min 1 TWAS 2336/27/1 and JAMIESON, J., *Northumberland at the Opening of the Twentieth Century* (Brighton 1905) p.251.
- 45 McMASTER, C., 'Robert Deuchar Ltd.' in *Scottish Brewing Archive Newsletter* No. 18, Winter 1990/91.
- 46 Jas. Deuchar Ltd., Prospectus, 1900.
- 47 *Brewing Trade Review* 1.2.1905.
- 48 Bord B Min SBA BB1.
- 49 Bord B Min SBA BB1
- 50 *Newcastle Daily Journal* 14.1.1899 and *Sunderland Daily Echo* 27.12.1899.
- 51 See BAKER, J.L. *The Brewing Industry* (London 1905) p.67 and *Brewing Trade Review* 1.8.1906.
- 52 *DA Hartlepoons* (1894) p.31 and *Ports on the Tees* (1900) p.196.
- 53 *Financial Times* 30.12.1891, Newc B Ann Rep 1895 and 1914 TWAS 1463/125-172, *Builder* 11.1.1902 and 15.1.1898 and Newc B GM Cuttings TWAS 2139/5.
- 54 *Sunderland Daily Echo* 29.12.1897, *Brewing Trade Review* 1.1.1903, *Newcastle Daily Chronicle* 30.12.1903 and *Newcastle Daily Journal* 3.5.1890 and 28.12.1900.

- 55 *Darlington and Stockton Times* 13.10.1894 and *Builder* 20.10.1894.
- 56 For Robinson Bros. see *Durham County Advertiser* 8.10.1909 and *Brewing Trade Review* 1.9.1910 and 1.11.1910; for Forster's see *Durham County Advertiser* 22.12.1899; and for Wilkinson see *Newcastle Daily Leader* 29.5.1903, *Newcastle Daily Journal* 21.1.1907 and *Brewing Trade Review* 1.7.1903.
- 57 For Fenwick's see *Brewers' Guardian* 23.9.1894; for W.B. Reid see *Newcastle Daily Journal* 26.12.1899; for Cameron's see WOOD, R., *The Lion Brewery. A Short History* (West Hartlepool 1963) p.29; for Clayhills' see Darlington Planning Application DCRO Da/NG/2/2608; and for Rowell's see Rowell Min 3 TWAS 2319/2/1.
- 58 For Nimmo's see Clayton—Gibson (Solicitors) Correspondence DCRO D/CG5/1323; for estimates on the usage of water in brewing see BAKER (1905) p.61; for Warwick's see *Breweries and Distilleries* 24.1.1891; and for the Border Brewery see Bord B Min SBA BB1.
- 59 Rowell Min 3 TWAS 2319/2/1.  
See also Border B Min SBA BB1, *Newcastle Daily Journal* 1.1.1903 and Newc B Priv Led TWAS 2336/2/1.
- 60 For Rowell's see Rowell Min 3 TWAS 2319/2/1; for Cameron's see *Brewing Trade Review* 1.1.1901 and WOOD (1963) p.29; for West Auckland Brewery see WAB Min 2 DCRO D/WAB/3; and for Newcastle Breweries see Newc B Priv Led TWAS 2336/2/1.
- 61 See, for example, Darlington Planning Application DCRO Da/NG/2/2152, Bord B Min SBA BB1, Rowell Min 3 TWAS 23129/2/1 and WAB Min 1 DCRO D/WAB/2.
- 62 *Brewing Trade Review* 1.7.1900.
- 63 For Newcastle Breweries see *Financial Times* 30.12.1892 and *Newcastle Daily Journal* 27.8.1902; and for Fenwick's see R. Fenwick & Co. Ltd., Prospectus, 1896 (*Newcastle Chronicle* 17.11.1896).
- 64 *Brewing Trade Review* 1.1.1910.
- 65 *Brewing Trade Review* 1.4.1914.
- 66 WILSON, G.B., *Alcohol and the Nation* (London 1940) p.63 states that; "The malting trade, like the brewing trade, has undergone a steady process of rationalisation during the last one hundred years. In 1800, 9063 maltsters' licences were taken out in England and Scotland; but in 1880, 3835 only were taken out for the whole of the United Kingdom. There is little information available as to the modern conditions in the malting trade, but the process of rationalisation appears still to be in progress".
- 67 In 1904, Baird & Co. of Glasgow was using the maltings of St. John in Sunderland and J.P. Simpson of Alnwick was occupying the maltings of Plews & Sons, Darlington. (*Brewing Trade Review* 1.2.1904 and 1.7.1909).

- 68 *Sunderland Daily Echo* 28.12.1898.
- 69 WOOD (1963) p.27 and *Brewing Trade Review* 1.1.1901, 1.9.1908 and 1.11.1913.
- 70 *Builder* 25.6.1898.
- 71 See, for example, Bord B Min SBA BB1 and WAB Min 2 DCRO D/WAB/3.
- 72 In the 1890s an average of 42,000 gallons of mineral waters annually came into the Tyne and in the first decade of the new century this approached 97,000 gallons per year (*Tyne Improvement Commission Accounts* 1890–1910).
- 73 For Fenwick's and North Eastern Breweries see *Sunderland Daily Echo* 29.12.1897 and 28.12.1898; for Cameron's see WOOD (1963) p.28; for W.B. Reid see *Newcastle Daily Journal* 26.12.1899; for West Auckland Brewery WAB Min 2 DCRO D/WAB/3; and for Alnwick Brewery see *Newcastle Daily Journal* 23.11.1895 and *Brewing Trade Review* 1.1.1906.
- 74 *Brewing Trade Review* 1.11.1906.  
*Brewing Trade Review* 1.9.1914 stated that "the method adopted for carbonating beer is undoubtedly due to the influence of the aerated water trade".
- 75 For discussion of the original misgivings of brewers about bottling see BAKER (1905) pp. 123–4. *Brewing Trade Review* 1.1.1905 reported that "it is but a few years ago that the majority of brewers in this country were entirely averse from any new departure of the kind, the general contention being that it entailed an immense amount of extra trouble which would in no way be repaid by the increase of profit". Estimated labour costs of bottling were given in a paper entitled "The Carbonisation of Beer in Bottle", presented in Newcastle on 14.12.1900 and reprinted in the *Journal of the Federated Institute of Brewing* Vol III, 1902, p.297–312.
- 76 For Cameron's and Vaux see WOOD (1963) p.28 and *Brewing Trade Review* 1.11.1907. Estimates of the cost of breakages were given in *Journal of Federated Institute of Brewing* Vol III, (1902), pp. 297–312. In 1913 seventeen bottlers were summoned to a meeting at Rowell's and action was threatened against them for the high number of breakages (Rowell Min 3 TWAS 2319/2/1). For North Eastern Breweries' concern see *Newcastle Daily Chronicle* 28.12.1899.
- 77 *IG Sunderland* (1898) p.80.
- 78 For Cameron's see J.W. Cameron & Co. Ltd., Prospectus, 1894 (*Newcastle Daily Chronicle* 1.12.1894) and WOOD (1963) p.28; and for North Eastern Breweries see North Eastern Breweries Ltd., Prospectus, 1896 and *Brewing Trade Review* 1.6.1899.

- 79 WILSON (1940) p.85; *Royal Commission on Liquor Licensing Laws*, Final Report 1899 Cmnd 9379 p.7; *Brewers' Journal* quoted in GREENWOOD, A. *Public Ownership of the Liquor Trade* (London 1920) p.70 and PRATT, E.A. *The Licensed Trade* (London 1907) p.92.
- 80 For Newcastle Breweries see Newc B Min 1 TWAS 1463/6; for Rowell's see Rowell Min 3 TWAS 2319/2/1; for Jas. Deuchar see PEARSON, L.F. *The Northumbrian Pub* (Morpeth 1989) p.79; for Border Brewery see *Brewing Trade Review* 1.2.1905; and for W.B. Reid *Newcastle Daily Journal* 3.2.1906.
- 81 Newc B Min 1 TWAS 1463/6 and R. Deuchar Min 1 TWAS 2336/27/1.
- 82 Rowell Min 3 TWAS 2319/2/1.
- 83 *Statist* 19.1.1907.
- 84 *Statist* 13.6.1903.
- 85 *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4), S.B. Burton's Evidence p.102.
- 86 *Royal Commission on Liquor Licensing Laws*, First Report 1897 (Cmnd 8355/6), J.C. Roberts' Evidence p.303.
- 87 *Newcastle Daily Journal* 15.8.1901.
- 88 For 1901 purchases see *Newcastle Daily Journal* 25.4.1901, 5.7.1901 and 10.7.1901; for the Castle Brewery auction see *Brewers' Guardian* 10.9.1904; and for the view on property prices see *Newcastle Daily Journal* 31.1.1905.
- 89 *Statist* 19.1.1907.
- 90 *Statist* 5.10.1912.
- 91 Deed of Partition of the Grainger Estate (Town Property), 13.4.1901 (Newcastle City Library) and *Newcastle Daily Journal* 5.2.1900.
- 92 Newc B Properties 1914 TWAS 1463/276.
- 93 *Financial Times* 30.12.1891.
- 94 North B Corp Ann Rep 1899 TWAS 1463/324–445 and *Newcastle Daily Chronicle* 1.2.1902.
- 95 *Brewers' Guardian* 25.12.1900 and *Brewing Trade Review* 1.6.1908.
- 96 Rowell Min 3 TWAS 2319/2/1.
- 97 Newc B Ann Rep 1892–1910 TWAS 1463/125–172.
- 98 see WAB Min 2 DCRO D/WAB/3.
- 99 Bord B Min SBA BB1.



- 100 WAB Min 2 DCRO D/WAB/3.
- 101 *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4), Lovibond's evidence p.367.
- 102 For Newcastle Breweries see Newc B Contracts 1890 TWA 1463/106 and *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4), Lovibond's Evidence p.367; for North Eastern Breweries see NEB Properties c1910 DCRO Va/72; and for Valuation of property, stock lists, list of tenancies, and other papers on takeover of W.J. Sanderson and John Sanderson 1896. TWAS 1463/273.
- 103 HAWKINS, K.H. & PASS, C.L. *The Brewing Industry. A Study in Industrial Organisation and Public Policy* (London 1979) p.35 state that the "independent publican was replaced in the main by a tied tenant, and to a much lesser extent by managers".
- 104 *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4), Appendix IX, Report of Country Brewers' Society on Customs of the Brewery Trade in the two Counties of Northumberland and Durham.
- 105 *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4), Lovibond's Evidence p.367.
- 106 WAB Min 2 DCRO D/WAB/3.
- 107 *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4) J.R. Roberts' Evidence p.303 and Lovibond's Evidence p.371.
- 108 as 104.
- 109 PRATT (1907) p.100.
- 110 as 104
- 111 PRATT (1907) p.101.
- 112 1892 Ret of On Lic.
- 113 Durham County Lic Reg DCRO PS/Du 50.
- 114 Mid Chester Lic Reg DCRO PS/CS 42.
- 115 *Wards* 1915 and Newcastle Lic Reg TWAS MG/Nc/9/1-4 & 10/1-3.
- 116 McMASTER (1985) pp. 32, 47, 53; DONNACHIE (1979) pp. 169, 175; 1892 Ret of On Lic; Newcastle Lic Reg TWAS MG/Nc/9/1-4 and 10/1-3; Tadcaster Tower Brewery Co., Prospectus, 1894 (*Newcastle Daily Chronicle* 9.6.1894); and *Brewers' Guardian* 14.5.1889.

- 117 For Arrol's see Archibald Arrol & Sons Ltd., Prospectus, 1895 and DONNACHIE (1979) p.173. The 1892 Ret of On Lic shows Fenwick & Co. of Chester-le-Street owning at least 38 houses and the R. Fenwick & Co. Ltd., Prospectus, 1896 has the company owning 63 houses and agreeing to buy another 7.
- 118 DONNACHIE (1979) P.196.
- 119 DONNACHIE (1979) P.176.
- 120 W.B. Reid, Prospectus, 1891.
- 121 DONNACHIE, I., 'Men of Brewing : Alexander Low Bruce', *Scottish Brewing Archive Newsletter*, No. 3, Spring 1984.
- 122 W.A. Falconar & Co. Ltd., Prospectus, 1893 (*Newcastle Daily Chronicle* 7.3.1893).
- 123 Newc B Min 1 TWAS 1463/6.
- 124 R Deuchar Min 1 TWAS 2336/27/1.
- 125 *Newcastle Daily Journal* 22.12.1894.
- 126 *Newcastle Daily Chronicle* 25.12.1897.
- 127 *Newcastle Daily Chronicle* 25.12.1897.
- 128 *Newcastle Daily Chronicle* 9.3.1897, *Newcastle Daily Journal* 20.3.1903, and *Brewing Trade Review* 1.4.1903.

## ENDNOTES : CHAPTER 5

1. DINGLE, A.E. 'Drink and Working Class Living Standards in Britain, 1870–1914', *Economic History Review*, 2nd Series, Vol XXV, 1972, pp. 608–622.
2. There is little evidence of North East brewers employing representatives in other parts of Britain or abroad, although Newcastle Breweries did employ an agent for the Scandanavian countries, based in Copenhagen in 1909, but this seems to have been for the sale of whisky rather than beer (Newc B Min 2 TWAS 1463/7).
3. *Newcastle Daily Journal* 7.3.1900.  
VAIZEY, J.E. *The Brewing Industry, 1886–1952* (London 1960) p.17 argues that "price competition, in the sense of price-cutting, was almost unknown".
4. *Newcastle Weekly Chronicle* 28.12.1901.
5. HAWKINS, K.H. & PASS, C.L. *The Brewing Industry. A Study in Industrial Organisation and Public Policy* (London 1979) p.41.
6. See, for example, VAIZEY (1960) p.18–19.
7. For Vaux see *Vaux News*, December 1979; for steam-powered developments see MAYNARD, F.M. 'Motor Traction for Brewers', Paper given to Yorkshire and North East Section of the Institute of Brewing 23.2.1900 (*Journal of the Federated Institute of Brewing*, Vol. VI 1900 pp. 197–218); and for difficulties with rail see *Brewing Trade Review* 1.6.1913.
8. For discussions on the merits of steam and horse power see PEATY, I. 'Beer Deliveries by Steam Waggon', *Brewing History Journal*, No. 51, November 1987 and MAYNARD (1900); and for the arrangements at Newcastle Breweries and Forster's see Newc B Min 1 TWAS 1463/6 and *Newcastle Daily Journal* 9.3.1903. One large national brewer was reported in 1904 to have been using a steam wagon for four years which had covered a total of 24,800 miles (*Newcastle Daily Journal* 25.2.1904).
9. For developments in steam and petrol wagons see MILLER, H. 'Motors for Brewers', *Brewing Trade Review* 1.1.1908 pp. 12–14 and *Brewing Trade Review* 1.8.1913; for the impact of railway rates see VAIZEY (1960) p.18; and for Rowell's see Rowell Min 3 TWAS 2319/2/1.
10. HAWKINS & PASS (1979) p.36.
11. *The Times* 10.10.1913.
12. *Royal Commission on Liquor Licensing Laws*, Third Report 1898, (Cmd 8693/4), S.B. Burton's Evidence p.105.
13. Newc B Min 1 TWAS 1463/6.

14. *Newcastle Daily Journal* 4.7.1907.  
Also in 1907, the North Eastern Breweries bought several properties. A year earlier the same company had acquired a site in Stockton on which it built a theatre and an arcade (*Newcastle Daily Chronicle* 29.12.1906 and 28.12.1907).
15. GIROUARD, M. *Victorian Pubs* (London 1984) p.87.
16. Newc B Min 1 & 2 TWAS 1463/6 & 7.
17. R. Deuchar Min 1 & 2 TWAS 2336/27/1 & 2 and *Newcastle Daily Journal* 14.3.1902, 11.8.1904 and 14.12.1905.
18. Darlington Planning Applications DCRO Da/Na/2/2765,3445,4114 and 3582.
19. Rowell Min 3 TWAS 2319/2/1.
20. The Licensing Act 1902 dealt with some of the recommendations of the 1899 Commission. Whilst it gave greater powers to magistrates over off-licences and structural alterations in licensed premises, it was regarded by opponents of the trade as a very tentative approach to the drink problem. Brewers themselves welcomed the Act, which introduced registration for clubs.
21. PRATT, E.A. *The Licensed Trade* (London 1907) p.247.
22. See *Newcastle Daily Journal* 3.6.1904.
23. Based on statistics published in the NTDA(ND) Ann Rep 1914 TWAS EM/TDA/2/1.
24. For reports of brewster session proceedings see *Newcastle Daily Journal* 8.2.1905, 23.2.1905, 20.3.1907, 8.5.1907, 15.5.1907 and 24.1.1908.
25. *Brewing Trade Review* 1.12.1906 and 1.1.1909 and *Newcastle Daily Journal* 23.2.1904 and 17.9.1907.
26. Newc B Min 2 TWAS 1463/7 and *Newcastle Daily Journal* 24.7.1908.
27. On the financial impact of levies, W.B. Reid, for example, paid £3166 in 1906 (*Brewing Trade Review*, 1.4.1907) and North Eastern Breweries £3500 in 1905 (*Newcastle Daily Chronicle* 29.12.1905). With regard to the shortfall between awards and claims, in 1905, for example, awards were made totalling £8240 on claims totalling £14888. Again, in 1906, awards of £19952 were made on claims of £33152 (*Newcastle Daily Journal* 15.5.1907). When it came to the surrender of licences, it seems that brewers quickly became aware that magistrates were, in many cases, naturally reluctant to permit the building of new licensed houses and to overcome this brewers adopted an overtly responsible stance. This was best achieved by acknowledging the over-abundance of houses in particular districts by relinquishing licences or at least offering no objections to houses being referred for compensation.
28. *Newcastle Daily Journal* 21.3.1907 and 23.2.1905.

29. For the origins of the trusts see CUMMING, A.N. *Public House Reform* (London 1901) p.12 and *Newcastle Daily Chronicle* 21.8.1901; and for the Durham and North Yorkshire Trust's estate see *Brewing Trade Review* 1.8.1909. As for the problems faced by the trusts, it seems that they not only lost licences but were in a weaker position when applying for new licences because they had no existing licences they were prepared to offer to relinquish.
30. PRATT (1907) p.191.
31. PRATT (1907) p.191.
32. *Newcastle Daily Journal* 22.6.1905 and *Newcastle Daily Chronicle* 29.12.1905.
33. WAB Min 2 DCRO D/WAB/3.
34. Rowell Min 3 TWAS 2319/2/1.  
The Hebburn club had to deposit their lease on the premises as collateral, the club being required to purchase all its draught beer from the company and the company had the power to nominate a representative to sit on the club's committee. At Dinnington the mortgage was granted on condition that "20 substantial members undertook to give guarantee for the repayment of the sum of £800 in case of default by the club" and also the trade in beer was tied to the brewery.
35. Rowell Min 3 TWAS 2319/2/1.
36. NEB Properties c1910 DCRO Va/72.
37. *Newcastle Daily Journal* 22.12.1900.
38. BAKER, J.L. *The Brewing Industry* (London 1905) p.9.
39. see DONNACHIE, I. *A History of the Brewing Industry in Scotland* (Edinburgh 1979) Table 76, p.217.
40. DONNACHIE (1979) p.193.
41. In Alloa, Calder's brewery was built alongside the harbour and Geo. Younger & Co. had its own private jetty. For McClay, however, goods had to be transferred to railway goods stations and then taken by rail to Leith before continuing by sea. (McMASTER, C. *Alloa Ale. A History of the Brewing Industry in Alloa* [Edinburgh 1985] pp. 31, 47 and 60). Figures for shipments between Leith and Sunderland are taken from River Wear Commission, Traffic Abstracts, Goods from Leith (Imports) by Steamer TWAS 202/2959. For the launch of Deuchar's 'Lochside' see *Shields Daily News* 19.7.1905.
42. Figures supplied by Bass Archives.
43. For Usher's see *Newcastle Daily Journal* 19.6.1890; and for Whitbread see *The House of Whitbread* January 1928 and October 1931.

44. *Newcastle Daily Chronicle* 3.12.1912 and *Tyneside Industries* (1889) p.122.
45. DONNACHIE (1979) p.217.
46. See Chapter 4, Section 4.2.3.
47. N & DBA Ann Rep 1888 TWAS AS/BA/1/1.
48. N & DBA Ann Rep 1891 TWAS AS/BA/1/1.
49. NTDA (ND) Ann Rep 1895 TWAS EM/TDA/1/1.
50. NTDA (ND) Ann Rep 1895 TWAS EM/TDA/1/1.
51. *Newcastle Daily Leader* 20.7.1895.
52. As the table below shows, only a proportion of the maximum levy was charged in some North East districts and the trade organisations made much of this. However, in the large urban areas, where referral and compensation were thought to be a most necessary, the maximum levy was the norm.

*Proportion of Maximum Compensation Levy Imposed  
1912–1914*

| Authority             | 1911<br>% | 1912<br>% | 1913<br>% | 1914<br>% |
|-----------------------|-----------|-----------|-----------|-----------|
| West Hartlepool       | No Levy   | 25        | 100       | 100       |
| South Shields         | 25        | 25        | 50        | 50        |
| Gateshead             | 75        | 100       | 100       | 100       |
| Sunderland            | 100       | 100       | 100       | 100       |
| Durham County         | 50        | 75        | 65        | 50        |
| Tynemouth             | 100       | 80        | 100       | 100       |
| Newcastle             | 80        | 80        | 100       | 100       |
| Northumberland County | 100       | 100       | 75        | 75        |

Source : NTDA (ND) Ann Rep 1920 TWAS EM/TDA/2/1.

53. N & DBA Ann Rep 1910–1914 TWAS AS/BA/6/1.
54. N & DBA Ann Rep 1910–1914 TWAS AS/BA/6/1.
55. N & DBA Min 1 TWAS AS/BA/1/1.
56. N & DBA Min 2 TWAS AS/BA/1/2.
57. *Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmd 8693/4) Lovibond's Evidence p.368.

58. Hartlepool Lic Reg CCA Ps/Ha26, Houghton-le-Spring Lic Reg TWAS MG/HS, Durham City Lic Reg DCRO PS/Du/29 and Darlington Lic Reg DCRO PS/DAB/54.
59. E Castle Lic Reg TWAS 1809/4/2 and Newcastle Lic Reg TWAS MG/Nc/9/1-4 and 10/1-3.
60. *Newcastle Daily Chronicle* 28.12.1901.
61. NEB Properties c1910 DCRO Va/720.
62. *Newcastle Daily Journal* 29.12.1905.
63. Jarrow Lic Reg TWAS MG/Ja/3, Gateshead Lic Reg TWAS MG/Ga/10/3 and Blaydon Lic Reg TWAS MG/B1/4/1.
64. For Newcastle Breweries see Newc B Prospectus, 1890 TWAS 2319/5; Newc B Properties 1890-1897 TWAS 1863; and Newc B Properties 1914 TWAS 1463/276. For North Eastern Breweries see *Brewing Trade Review* 1.6.1899 and NEB Properties c1910 DCRO Va/72.
65. For discussion of the allocation of management duties see BAKER (1905) p. 142.
66. Rowell Min 3 TWAS 2319/2/1.
67. For Cameron's see WOOD, R. *The Lion Brewery. A Short History* (West Hartlepool 1963) p.27; for Clayhills see *Northern Echo* 25.4.1934; for Newcastle Breweries see BENNISON, B. & MERRINGTON, J.P. *The Centenary History of the Newcastle Breweries, 1890-1990* (Newcastle 1991) pp. 9, 35 & 43; and for North Eastern Breweries see *Brewing Trade Review* 1.6.1913. Family members also took over, for example, at Vaux, Thos. Lamb, Tucker's, Nimmo's, Rowell's and Lumley's.
68. *Brewing Trade Review* 1.3.1910, 1.3.1912 and 1.12.1908 and *Newcastle Daily Journal* 19.2.1907, 24.2.1907 and 27.12.1902.
69. *Newcastle Daily Journal* 31.12.1906.
70. See, for example, DONNACHIE (1979) p. 190.
71. BAKER (1905) p. 142.
72. *Brewing Trade Review* 1.1.1905.
73. Letter signed by W.H. Blake, August 1900 North Eastern Breweries. Correspondence of Thos. Humphrey. DCRO D/Va 176.
74. CHANDLER, A.D. *Scale and Scope. The Dynamics of Industrial Capitalism* (London 1990), p.267.
75. BIRD, W.H. *A History of the Institute of Brewing* (London 1955) p.2.
76. BIRD (1955) pp. 2-16.

77. For Monkseaton Brewery see *Brewing Trade Review* 1.4.1898; for Johnson and Darlings see *Brewing Trade Review* 1.3.1910; for West Auckland Brewery see WAB Min 1 & 2 DCRO D/WAB/2-3; and for Cameron's see *Brewing Trade Review* 1.4.1900.
78. Rowell Min 3 TWAS 2319/2/1.
79. STOPES, H. *Brewery Companies* (London 1895) p.36.  
For discussion on the different materials, plant and processes see *Brewers' Guardian* 6.2.1900 and *Brewing Trade Review* 1.10.1900.
80. *Brewing Trade Review* 1.5.1913 and 1.10.1900.
81. *Report of an Enquiry by the Board of Trade into the Earnings and Hours of Labour of Workpeople of United Kingdom* (1906), Vol III (Cmnd 6556) pp. 199-200 and *Brewing Trade Review* 1.8.1913.
82. Rowell Min 3 TWAS 2319/2/1.
83. Rowell Min 3 TWAS 2319/2/1.
84. GOURVISH, T.R. and WILSON, R.G. 'Profitability in the Brewing Industry, 1885-1914' *Business History*, Vol XXVII, No. 2, July 1985, pp. 146-65.
85. STOPES (1895) p.7.
86. For example, see *Statist* 18.8.1900, 1.2.1902 and 28.1.1905.
87. VAIZEY (1960) p.16.
88. Letter to Murray from stockbroker dated 7.3.1908 North Eastern Breweries. Correspondence of Thos. Humphrey. DCRO D/Va 177.
89. For example, Newc B Ann Rep 1890 TWAS 1463/25-172.
90. Newc B GM Cuttings TWAS 2319/5.
91. *Financial Times* 30.12.1892.
92. For Newcastle Breweries see Newc Brew Ann Rep 1890-1914 TWAS 1463/25-172 and for North Eastern Breweries see *Newcastle Daily Chronicle* 29.12.1898 and 28.12.1899.
93. *Newcastle Daily Chronicle* 28.12.1900.
94. For Newcastle Breweries see Newc B Ann Rep 1901 TWAS 1463/125-172; and for Cameron's and Border Brewery see *Brewing Trade Review* 1.1.1903 and 1.2.1903.
95. For Alnwick Brewery see *Brewing Trade Review* 1.4.1902; for Newcastle Breweries see Newc B Ann Rep 1902 and 1903 TWAS 1463/125-172; and for Cameron's see *Brewing Trade Review* 1.1.1904.



96. For North Eastern Breweries see *Newcastle Daily Chronicle* 29.12.1905.  
As regards the true impact of rating assessments, GOURVISH & WILSON (1985) argue that "brewers often successfully contested the rating valuations of their tied-house properties".
97. *Newcastle Daily Chronicle* 29.12.1906 and 27.12.1906.
98. For statements on the cause of falling profits, see *Newcastle Daily Chronicle* 30.12.1908, 23.12.1908 and 21.12.1908 and *Brewing Trade Review* 1.1.1909.  
For the views of Gateshead Breweries Corporation and Newcastle Breweries see *Brewing Trade Review* 1.6.1908 and Newc B GM Cuttings TWAS 2319/5.
99. Newc B Ann Rep 1910 TWAS 1463/125–172 and *Stock Exchange Official Intelligence* 1911.
100. *Newcastle Daily Chronicle* 30.12.1910.
101. Newc B Ann Rep 1912 TWAS 1463/125–172 and *Brewing Trade Review* 1.1.1913.
102. *Brewing Trade Review* 1.7.1900.
103. *Brewing Trade Review* 1.11.1916 and 1.12.1910.
104. *Newcastle Daily Journal* 19.8.1916.
105. *Newcastle Daily Journal* 30.9.1908.  
The trustees for the debenture stockholders was W.P. Manners, Chairman and Managing Director of Worthington.
106. Bord B Min SBA BB1.
107. R. Deuchar Min 1 & 2 TWAS 2336/27/1 & 2 and *Stock Exchange Official Intelligence* 1915.
108. *Newcastle Daily Journal* 27.12.1913.
109. *Economist* 15.3.1913.

*ENDNOTES : CHAPTER 6*

1. See, for example, *Brewing Trade Review* 1.9.1914.
2. Defence of the Realm Act 1914 and Defence of the Realm Act (No. 2) 1914.
3. Before justices could limit hours of sale there had to be reasonable grounds for such action. The initiative for the action rested on recommendations by police chiefs, and the more dramatic reduction in hours required the sanction of the Secretary of State. For early actions taken by local magistrates see *Newcastle Daily Journal* 12.8.1914 and 14.8.1914, and for the first restrictions on the supply of drink to soldiers see *Newcastle Daily Chronicle* 1.11.1914.
4. *Newcastle Daily Journal* 30.3.1915.
5. *Manchester Guardian* 9.4.1915.
6. Defence of the Realm (Amendment) No. 3 Act 1915.
7. Before the Central Control Board could schedule an area it had to obtain an Order in Council and to justify this an inquiry was held with all interested parties in the area to ascertain the prevailing conditions. Generally, however, inquiries resulted in the recommendation, approved by the Minister of Munitions, for an Order.
8. *Brewing Trade Review* 1.8.1915.
9. *Brewing Trade Review* 1.12.1915.
10. For estimates of the coverage of the Central Control Board see SHADWELL, A. *Drink in 1914–1922 : A Lesson in Control* (London 1923) p.85 and CARTER, H. *The Control of the Drink Trade : A Contribution to National Efficiency, 1915–1917* (London 1918) p.134. For estimates of the impact on Newcastle Breweries' tied estate see *Newcastle Daily Journal* 30.12.1915.
11. SHADWELL (1923) p.31.
12. *Newcastle Daily Journal* 23.11.1916.
13. What became known as the 'Carlisle Scheme' was the initiative taken by the Central Control Board to bring brewing and retailing in a particular vicinity under direct state control. Initially, the experiment was confined to the area around the Gretna Green National Explosives Factory but many of the workers lived in Carlisle or travelled there at weekends and holidays to drink. When drunkenness statistics showed a large rise the Board set about acquiring 119 licensed premises in Carlisle and another 82 in the surrounding region, along with the area's five breweries. Rationalisation then took place as licences were suppressed and breweries closed. The Carlisle experiment, whereby brewing and the licensed trade was re-organised by the state, won the support of many of those seeking a national system of control. As a result, the Carlisle and similar smaller schemes featured prominently in the ongoing debate about the conduct of the liquor trade during the second half of the decade.

14. *Newcastle Daily Journal* 20.5.1916.
15. General debate about state purchase of the liquor trade was cemented into specific proposals with *Proposals for the State Purchase of the Licensed Liquor Trade (England & Wales)* 1916 [Cmnd 8283] and *State Purchase and Control of the Liquor Trade* 1918 [Cmnd 9042].
16. The original order under the Output of Beer (Restriction Act) 1916 in March 1917 was followed by the order increasing the output limit by one third. However, this brenda was conditional on half of the total amount brewed not exceeding a gravity of 1036°; and of the additional 33.3%, 20% was not to exceed 1036° and the remaining 13.3% could only be brewed under special licence for retail in munition areas. A 1918 order under the Output of Beer (Restriction) Act cut the 1917 additional 33.3% to 10.4% and reduced the maximum gravity to 1030°. Output limits were increased by 25% in early 1919 and two other increases followed until July of 1919 when all output restrictions were lifted. Maximum gravities were raised by 2° at the beginning of 1919 and other increases followed until, in 1921, brewers were allowed to fix their own gravities.
17. Rowell Min 3 TWAS 2319/2/1.
18. Newc B Min 2 & 3 TWAS 1463/7 & 8.
19. For speculation on the national situation and the position in Sunderland see *Newcastle Daily Journal* 15.3.1917 and 2.6.1917. For Rowell's see Rowell Min 3 TWAS 2319/2/1.
20. For the West Hartlepool scheme see *Newcastle Daily Journal* 2.3.1918. The North West Durham Licensed Victuallers' Association considered various schemes, including refusing women admission to licensed premises (*Newcastle Daily Journal* 23.3.1918). In the event, several licencees introduced an experimental system of voluntary rationing amongst their customers but this scheme was soon abandoned (*Newcastle Daily Journal* 27.4.1918).
21. *Newcastle Daily Journal* 25.5.1918 and 10.6.1918.
22. For the protests in Newcastle and Willington Quay see *Newcastle Daily Journal* 8.7.1918 and 11.6.1919. For the statement of policy at Newcastle Breweries see *Newcastle Daily Journal* 8.6.1919. Earlier, in 1917 the company had made a policy decision to close any or all of its managed houses on Mondays and any other times if it thought fit (Newc B Min 3 TWAS 1463/8).
23. N & DBA Ann Rep 1918 TWAS AS/BA/6/1.
24. *Iron & Coal Review* 3.8.1917.
25. See *Commission of Enquiry into Industrial Unrest, Summary of the Reports of the Commission*, 1917 (Cmnd 8696) p.5.
26. N & DBA Ann Rep TWAS AS/BA/6/1.

27. For Ovington Brewery see *Brewing Trade Review* 1.8.1918 and *Newcastle Daily Chronicle* 1.10.1915 and for Joseph Johnson see *Brewing Trade Review* 1.5.1917. The relatively high capital structure of Johnson's business reflected the fact that the company's interests spread beyond brewing and included, for example, ownership of the Hamsteels Collieries. For Thos. Lamb see *Brewing Trade Review* 1.3.1917 and *Newcastle Daily Chronicle* 1.4.1920.
28. *Newcastle Daily Chronicle* 15.5.1920.
29. *Newcastle Daily Chronicle* 8.9.1920.
30. *Newcastle Daily Journal* 27.5.1919 and 28.5.1919.  
The exact origins of the brewery scheme are unclear. The first recorded discussion (*Newcastle Daily Journal* 13.10.1919) is within the Durham Branch CIU, but reports on a canvass of 181 clubs list only 57 replies, of which only 37 promised to donate to a scheme. Although the meeting which agreed to go ahead with the Alnwick purchase was of both Northumberland and Durham delegates, only 9 Durham clubs were involved compared to 80 from Northumberland (*Brewing Trade Review* 1.12.1919). It seems to have been largely a Northumberland initiative and the first report of the Northern Clubs' Federation, 18.9.1920 [reprinted in ELKINS, T. *So They Brewed Their Own Beer* (Newcastle 1970) p.23] said that the "Federation was the outcome of a scheme proposed by clubs in the West Tyne District ... A similar movement was being initiated by the Northumberland Branch of the Club and Institute Union, and the two schemes were subsequently coalesced".
31. This caused a few minor problems. Some clubs were registered under the Companies Act and others under the Friendly Societies Act. They were strongly urged to transfer to Industrial and Provident Society Act status.
32. First report of Northern Clubs Federation Ltd., 18.9.1920 [reprinted in ELKINS (1970) p.23].
33. ELKINS (1970) p.21.
34. *Newcastle Daily Chronicle* 25.11.1919 and *Newcastle Daily Journal* 25.11.1919.
35. ELKINS (1970) p.28.
36. *Newcastle Daily Journal* 13.1.1920 and WOOD, R. *The Lion Brewery. A Short History* (West Hartlepool 1963), p.31.
37. *Stock Exchange Official Intelligence* 1919 and 1920.
38. GIBSON, M. *A History of Blyth* (Unpublished, unpaginated manuscript, 1974, Blyth Valley Central Library) says that "wartime restrictions forced its closure in 1916". Certainly, by 1924 it was reported that the Blyth & Tyne did not brew beer but got its supplies from a Newcastle firm (*Newcastle Daily Chronicle* 10.12.1924).
39. For Newcastle Breweries see *Newcastle Daily Chronicle* 25.12.1919 and for Rowell's see Rowell Min 4 TWAS 2319/2/2.

40. Newc B Min 2 & 3 TWAS 1463/7 & 8.
41. See *Brewing Trade Review*, 1.1.1919.
42. For Rowell's see Rowell Min 3 TWAS 2319/2/1; for North Eastern Breweries see *Sunderland Daily Echo* 24.12.1915; for Cameron's see *Brewing Trade Review* 1.9.1915 and 1.1.1916; for Newcastle Breweries see Newc B Min 2 & 3 TWAS 1463/7 & 8 and Newc B Ann Rep 1915–18 TWAS 1463/125–172; and for Border Brewery see Bord B Min SBA BB1.
43. Bord B Min SBA BB 1.
44. For Newcastle Breweries see Newc B Min 3 TWAS 1463/8 and for Rowell's see Rowell Min 4 TWAS 2319/2/2.
45. See *Brewing Trade Review* 1.3.1915.
46. Newc B Min 2 TWAS 1463/7.
47. *Brewing Trade Review* 1.9.1914 and 1.10.1914.
48. Rowell Min 3 TWAS 2319/2/1 and Newc B Min 2 TWAS 1463/7.
49. For Rowell's see Rowell Min 4 TWAS 2319/2/2 and for Newcastle Breweries see Newc B Min 3 TWAS 1463/8. The unnamed brewer was reported in *Newcastle Daily Journal* 19.7.1920.
50. *Brewing Trade Review* 1.1.1919.
51. For elections of membership to the Institute see *Brewing Trade Review* 1.5.1915 – 1.6.1917; for developments within the institute see BIRD, W.H. *History of the Institute of Brewing* (London 1955) p.21; and for Newcastle Breweries' support for the institute and brewing science see *Brewing Trade Review* 1.11.1919 and Newc B Min 3 TWAS 1463/8.
52. *Brewing Trade Review* 1.1.1919.
53. N & DBA Ann Rep 1918 and 1920 TWAS AS/BA/6/1.
54. *Brewing Trade Review* 1.1.1917 reported pooling taking place in Sheffield, Leicester, Sussex, Surrey and Hampshire. For the trade's reaction to departmental advisory committees see *Brewing Trade Review* 1.5.1918 and for local reaction seen N & DBA Ann Rep 1918 TWAS AS/BA/6/1.
55. N & DBA Ann Rep 1918 TWAS AS/BA/6/1 and BIRD (1955) p.19.
56. BIRD (1955) pp. 20–21.
57. Firstly, the Act limited the Trade Defence Association's political activities as an association and made them more reliant upon voluntary workers. Secondly, the extension of the franchise meant many women, some of them brewery shareholders and others licencees, would be voting for the first time.

58. NTDA (ND) Ann Rep 1919 TWAS EM/TDA/2/1.
59. On the reasons for price increases see, for example, *Brewing Trade Review* 1.2.1916 and the letter from Newcastle Breweries to tenants, Newc B GM Cuttings TWAS 2319/5. For Newcastle Breweries' revision of prices see Newc B Min 2 TWAS 1463/7; for Border Brewery see Bord B Min SBA BB1; and for Rowell's see Rowell Min 3 TWAS 2319/2/1.
60. For the 1917 price rises see N & DBA Ann Rep 1917 TWAS AS/BA/6/1 and for the threatened boycott see *Newcastle Daily Journal* 3.4.1917 and 9.4.1917.
61. NTDA (ND) Ann Rep 1917 TWAS EM/TDA/2/1.
62. Rowell Min 3 TWAS 2319/2/1.
63. *Newcastle Daily Journal* 5.4.1917.
64. *Newcastle Daily Journal* 5.4.1917.
65. See, for example, *The Times* 20.6.1917.
66. *Newcastle Daily Journal* 15.2.1919.
67. *Newcastle Daily Journal* 31.3.1915.
68. *Brewing Trade Review* 1.7.1915.
69. For the Durham & North Yorkshire Public House Trust see *Newcastle Daily Journal* 13.7.1915; for the trend nationally towards spirits see *Brewing Trade Review* 1.12.1918; and for Rowell's negotiations see Rowell Min 4 TWAS 2319/2/2.
70. For the significance of by-product sales see *Economist* 30.8.1919; for the calls to brewers to utilise by-products made by the Board of Agriculture and Ministry of Food see *Journal of the Board of Agriculture*, May 1917 and *Newcastle Daily Journal* 3.12.1917; for the investigations into the use of brewers' yeast for baking see *Brewing Trade Review* 1.9.1917; and for the advice given to brewers on using hops as cattle food see *Brewing Trade Review* 1.11.1918.
71. Rowell Min 3 & 4 TWAS 2319/2/1 & 2.
72. *Newcastle Daily Chronicle* 14.5.1915.  
For Vaizey's estimate see VAIZEY, J. *The Brewing Industry, 1886–1951* (London 1960) p.24; for Newcastle Breweries see Newc B GM Cuttings TWAS 2319/5; for the Trade Defence Association see NTDA(ND) Ann Rep 1915 TWAS EM/TDA/2/1; and for Cameron's see *Brewing Trade Review* 1.19.1914.
73. For North Eastern Breweries' figures see *Sunderland Daily Echo* 24.12.1915 and for Newcastle Breweries see *Newcastle Daily Chronicle* 30.12.1918. As regards principals, at the outbreak of war Johnson and Co., for example, had the head of the firm and the managing director called up (*Brewing Trade Review* 1.7.1914).

74. See *Brewing Trade Review* 1.3.1916.
75. *Brewing Trade Review* 1.9.1914.
76. Rowell Min 3 TWAS 2319/2/1.
77. Rowell Min 3 TWAS 2319/2/1.
78. Rowell Min 4 TWAS 2319/2/2.
79. The union was reported to have members engaged in the trade in Alnwick, Bishop Auckland, Chester-le-Street, Darlington, Ferryhill, Gateshead, Castle Eden, Houghton-le-Spring, Hetton-le-Hole, Newcastle, Spennymoor, South Shields, Stockton, Sunderland, West Hartlepool and Wallsend (*Newcastle Daily Journal* 3.11.1919). The only evidence of brewery workers negotiating via a different union is at Joseph Johnson's Westoe Brewery, where the National Amalgamated Union of Labour was involved (*Newcastle Daily Journal* 2.7.1918).
80. *Brewing Trade Review* 1.12.1920, *Newcastle Daily Journal* 3.11.1919, *Newcastle Daily Chronicle* 4.11.1919 and N & DBA Ann Rep 1920 TWAS AS/BA/6/1.
81. For the view of the Northern Corporation see *Brewing Trade Review* 1.3.1915; for North Eastern Breweries' purchases see *Sunderland Daily Echo* 24.12.1915 and *Investors' Chronicle* 11.1.1919; for Newcastle Breweries' purchases see Newc B Min 2 & 3 1463/7 & 8, *Financial Times* 2.1.1917 and *Newcastle Daily Journal* 30.12.1916; and for Cameron's policy see *Brewing Trade Review* 1.1.1916, 1.12.1917 and 1.2.1919.
82. For Newcastle Breweries see Newc B Min 3 TWAS 1463/8; for Warwicks see *Newcastle Daily Journal* 24.6.1919; and for Younger's see *Newcastle Daily Journal* 19.7.1919 and 26.7.1919.
83. Rowell Min 4 TWAS 2319/2/2.
84. Newcastle B Min 3 TWAS 1463/8 and *Brewing Trade Review* 1.7.1920.
85. For North Eastern Breweries see *Brewing Trade Review* 1.1.1916; for Rowell's see Rowell Min 4 TWAS 2319/2/2; and for Durham & North Yorkshire Public House Trust see *Newcastle Daily Journal* 4.8.1920.
86. For Durham City see Durham City Lic Reg DCRO Du/29; for Newcastle see *Newcastle Daily Journal* 5.2.1918, 2.3.1918 and 1.3.1919.
87. *Newcastle Daily Journal* 6.2.1917, 20.7.1917 and 28.5.1919 and *Sunderland Daily Echo* 24.12.1915.
88. *Economist* 4.9.1920.
89. *Economist* 26.5.1917.
90. See, for example, *Financier* 28.12.1916.

91. *Newcastle Daily Journal* 24.12.1917.
92. *Economist* 30.8.1919.
93. *Economist* 30.8.1919.
94. For example, the *Brewing Trade Review* 1.9.1924 looked at the estimates of brewery profits from 1913 to 1922, which showed a 91% increase, but argued that "perhaps it would not be far from the truth if the net rise in profits were put at about 20%, an increase which certainly could not be regarded as excessive or as in any way justifying a charge of profiteering". The precise basis of this recalculation is said to take into account taxation increases and inflation.
95. Newc B GM Cuttings TWAS 2319/5.
96. For North Eastern Breweries see *Sunderland Daily Echo* 24.12.1914; for Rowell's see Rowell Min 3 TWAS 2319/2/1; and for Cameron's see *Brewing Trade Review* 1.1.1916.
97. *Economist* 30.8.1919.
98. *Stock Exchange Official Intelligence* 1917.
99. *Stock Exchange Official Intelligence* 1920.
100. See *Economist* 3.2.1917.
101. For Newcastle Breweries reserves see Newc B Ann Rep 1914–1918 TWAS 1463/125–17 and for Cameron's and North Eastern Breweries see *Stock Exchange Official Intelligence* 1918. W.B. Reid's general reserve approached £180,000 and Jas. Deuchar's was £100,000 (*Stock Exchange Official Intelligence* 1920). Rowell's was around £83,000 (Rowell Min 4 TWAS 2319/2/2). For Robt. Deuchar's interest in Simson & McPherson see *Stock Exchange Official Intelligence* 1920.
102. Newc B GM Cuttings TWAS 2319/15.
103. *State Purchase and Control of Liquor Trade : Report of the English and Welsh Committee*, 1920 (Cmnd 9042) pp. 10–11.



# ENDNOTES : CHAPTER 7

1. In 1920 2914 licences were taken out by 'brewers for sale' but this had fallen to 885 by 1939 (BAXTER, J. *The Organisation of the Brewing Industry*, [Unpub. Ph.D University of London, 1945], Table 32, p.90.)
2. BAXTER Table 32, p.90.
3. *North East Coast Exhibition : Souvenir and North East Coast Visitors Guide* (1929) p.189.
4. *The Times Trade and Engineering* : North East Coast Section, December 1934.
5. *Brewing Trade Review* 1.10.1927.
6. Rowell Min 5 TWAS 2319/2/3.
7. *Newcastle Daily Journal* 5.9.1925 and 26.9.1925; McMASTER, C. *Alloa Ale : A History of the Brewing Industry in Alloa* (Edinburgh 1985) p.33; Vaux and Associated Breweries. Copy Letter Books. Private Letters 1924–31 DCRO D/Va 180; *Brewing Trade Review* 1.4.1929.
8. Bord B Min SBA BB1 and *Berwick Journal* 12.3.1925.
9. *Darlington and Stockton Times* 13.6.1925.
10. *Darlington and Stockton Times* 1.11.1930.
11. Berwick B Min SBA BB2; *Things That Affect Us*, Spring 1977; RICHMOND, L. & TURTON, A. *The Brewing Industry : A Guide to Historical Records* (Manchester 1990) p.344; *Brewing Trade Review* 1.12.1938.
12. Newc B Min 3, 3a, 4 and 5 TWAS 1463/8–11.
13. Rowell Min 5 TWAS 2319/2/3.
14. Rowell Min 5 TWAS 2319/2/3.
15. Newc B Min 3a TWAS 1463/9.
16. Berwick B Min SBA BB2.
17. Rowell Min 5 & 6 TWAS 2319/2/3 & 4 and *Northern Echo* 24.7.1934.
18. For Jas. Deuchar see *Brewing Trade Review* 1.2.1922 and for Vaux see *Things that Affect Us* Autumn 1976, *Brewing Trade Review* 1.3.1920 and Durham & Northumberland Licensed Victuallers Syndicate Minutes (SBA LC9/4/6).
19. *Brewing Trade Review* 1.8.1930 and McMASTER (1985) p.20.

20. For Lamb's see *Newcastle Daily Journal* 9.5.1925; for Warwick's see *Darlington and Stockton Times* 4.12.1926 and *Brewing Trade Review* 1.1.1927; for Ovingham Brewery see *Newcastle Daily Journal* 29.3.1928 and 15.6.1929; and for Turnbull see *Newcastle Daily Journal* 16.4.1923 and 9.5.1924.
21. *Newcastle Daily Journal* 6.10.1927 and 3.10.1927.
22. *Newcastle Daily Chronicle* 8.5.1920 and Newc B Min 4 TWAS 1463/10.
23. *North Mail* 11.4.1929.
24. *Stock Exchange Official Intelligence* 1923, 1925 and 1928.
25. For Berwick Breweries see *Brewing Trade Review* 1.4.1926 and 1.10.1928 and for Rowell's see Rowell Min 5 TWAS 2319/2/3.
26. Newc B Ann Rep 1932 TWAS 1463/125–172.
27. *The Times Trade and Engineering*, North East Coast Section, December 1934.
28. For Associated Breweries see *Brewers' Journal* 15.7.1936; for Rowell's see Rowell Min 6 TWAS 2319/2/4; and for Cameron's see WOOD, R. *The Lion Brewery. A Short History* (West Hartlepool) p.32.
29. Berwick B Min SBA BB2.
30. *Brewer's Journal* 15.1.1937.  
For Rowell's see Rowell Min 6 TWAS 2319/2/4 and for Jas. Deuchar see *Stock Exchange Official Intelligence*, 1929.
31. Newc B Min 5 TWAS 1463/11.
32. *Newcastle Daily Journal* 6.3.1930.
33. For Vaux see *Newcastle Daily Journal* 22.9.1923, 5.9.1925 and 28.9.1929; for Berwick Breweries see Berwick B Min SBA BB2, *North Mail* 27.11.1925 and *Newcastle Daily Journal* 24.5.1924, 28.2.1925 and 20.2.1926; and for Fenwick's see McMASTER (1985) p.62.
34. *North Mail* 15.12.1923, *Durham County Advertiser* 17.10.1924 and *Brewing Trade Review* 1.5.1938.
35. Newc B Min 4 & 5 TWAS 1463/10 & 11.
36. *Statist* 20.1.1940 and *Things that Affect Us* June 1975.
37. GIBSON, M. *A History of Blyth* (Unpublished unpaginated manuscript, Blyth Valley Central Library 1974) and Vaux and Associated Breweries. Copy Letter Books. Private Letters 1924–31. DCRO D/Va 180.

38. For Jas. Deuchar see *North Mail* 8.5.1925, *Builder* 4.5.1934, *Tyneside Industrial Review* (*Evening Chronicle* February 1939) and *Newcastle Daily Journal* 31.10.30; and for Robt. Deuchar see SURTEES, D. 'Duddingston's Staple Industry – Beer' *London & North Eastern Railway Magazine*, Vol. 29, No. 7, July 1939, pp. 370–1.
39. *Builder* 15.8.30.
40. Federation Brewery Supplement *North Mail* 25.8.1939, Federation Brewery Supplement *Newcastle Journal* 30.11.1957, *Brewing Trade Review* 1.6.1928 and 1.10.1929 and *Newcastle Daily Journal* 31.10.1927.
41. See, for example, *Engineering* 11.11.1927 and 11.11.1938.
42. *Engineering* 3.11.1922.
43. *Brewing Trade Review* 1.11.1928.
44. *Brewing Trade Review* 1.1.1928 and 1.1.1929.
45. *Engineering* 11.11.1938.
46. BAXTER (1945) p.164.
47. VAIZEY, J. *The Brewing Industry, 1886–1952* (London 1960) p.35.
48. *Newcastle Daily Journal* 18.6.1925.
49. *North Mail* 18.6.1925, *Newcastle Daily Journal* 23.8.1926 and 15.11.1928 and Newc B Ann Rep 1937 TWAS 1463/125–175.  
There were regular visits by engineers, chemists and surveyors in the latter half of the 1920s. In 1929, for example, a group of engineers toured the building where "huge vats proved a source of considerable interest ... but the ingenious machinery in the bottling department was the chief source of wonder to the visitors" (*Newcastle Daily Journal* 14.12.29).
50. For Rowell's see Rowell Min 5 TWAS 2319/2/3; for Berwick Breweries see Berwick B Min SBA BB2; for Federation Brewery see Federation Brewery Supplement *North Mail* 25.8.1939; for Cameron's see *Brewers' Journal* 15.1.1937; and for Associated Breweries see *North Mail* 18.6.1936.
51. Berwick B Min SBA BB2.
52. *Newcastle Daily Journal* 20.2.1926.
53. *Newcastle & Gateshead Chamber of Commerce Journal*, Exhibition Year Supplement 1929 p.187 and *Newcastle Daily Journal* 15.11.1928.
54. *Newcastle & Gateshead Chamber of Commerce Journal*, Exhibition Year Supplement, 1929, p.112.
55. For Newcastle Breweries see Newc B Min 3, 3a, 4 & 5 TWAS 1463/8–11 and *Newcastle Daily Journal* 5.7.1926 to 23.8.1926; and for Ridley, Cutter & Firth see Ridley, Cutter & Firth Minute Book NCRO 1115/60.

56. Rowell Min 6 TWAS 2319/2/4.
57. *Newcastle Daily Journal* 28.10.1935 and Federation Brewery Supplement *North Mail* 25.8.1939.
58. *North Mail* 31.10.1925.
59. Newc B Min 3a, 4 & 5 TWAS 1463/9–11.
60. *Newcastle & Gateshead Chamber of Commerce Journal*, Exhibition Year Supplement 1929, p.112.
61. *North Mail* 31.10.1925.
62. For Rowell's and Tuckers see *Gateshead Council Minutes* 1930–31 pp. 118 and 249 and for Associated Breweries see Stockton Borough Planning Applications (CCA).
63. *Brewing Trade Review* 1.2.1927.
64. *Brewing Trade Review* 1.9.1927.  
For details of 1920 Brewers' Exhibition see *Brewing Trade Review* 1.12.1920; for discussion on the developments in fast trailer haulage see *Brewing Trade Review* 1.9.1922; and for the trade's view on the impact of increased rail charges see *Brewing Trade Review* 1.6.1929.
65. *Brewing Trade Review* 1.10.1924.
66. For Vaux see *Newcastle Daily Journal* 8.8.1929; for Newcastle Breweries see *North Mail* 31.10.1925 and Newc B Min 3a TWAS 1463/9; and for Berwick Breweries see Berwick B Min SBA BB2.
67. *Motor Transport* 29.11.1926.
68. *Motor Transport* 29.11.1926.
69. For Newcastle Breweries see Newc B Min 4 TWAS 1463/10; for Federation Brewery see Federation Brewery Supplement *North Mail* 25.8.1939 and *Newcastle Journal* 25.10.1933; and for Vaux see *Vaux News* December 1979.
70. For Arrol's estimate see *Brewing Trade Review* 1.4.1924; for victuallers' view see *Newcastle Daily Journal* 9.2.1929; and for the situation in 1933 see *Newcastle Journal* 14.2.1933.
71. *North Mail* 20.5.1933.
72. *North Mail* 11.2.1932.
73. *Stock Exchange Register of Defunct and Other Companies* (1946) p.245, *Newcastle Daily Chronicle* 18.7.1921 and *Brewing Trade Review* 1.7.1930.

74. For registration details of Emmerson see *Brewing Trade Review* 1.1.1923; for Fitzgerald see *Brewing Trade Review* 1.7.1926, *Newcastle Daily Journal* 25.10.1928 and *Newcastle Journal* 15.6.1932; and for Rees see *Brewing Trade Review* 1.1.1922.
75. See auction reports in *Newcastle Daily Journal* 26.4.1929 and *Newcastle Journal* 18.6.1931 and 15.6.1932.
76. For changes in ownership in Newcastle see Newcastle Lic Reg TWAS MG/NC/9/1–4 & 10/1–3; for the brewer's statement on the licensed house market see *Newcastle Daily Journal* 1.5.1925; and for the national view see *Economist* 18.1.1930.
77. Newc B Min 3, 3a, 4 & 5 TWAS 1463/8–11.
78. Rowell Min 4, 5 & 6 TWAS 2319/2–4.
79. For Newcastle Breweries see Newc B Min 3 TWAS 1463/8, SW Darlington Lic Reg DCRO PS/BA/43 and Bishop Auckland Lic Reg DCRO PS/BA10 & 11; for Reid's purchases in North Shields see *Newcastle Journal* 28.1.1933; and for Tadcaster Tower see Houghton–le–Spring Lic Reg TWAS MG/HS.
80. *Newcastle Daily Journal* 4.5.1920 and 20.10.1927.
81. For Cameron's see *Darlington & Stockton Times* 13.6.1925 and for Vaux see *Brewing Trade Review* 1.4.1929.
82. For Bass see *Newcastle Daily Chronicle* 24.4.1920 and *Newcastle Daily Journal* 26.5.1928; for Charrington's see *North Mail* 31.3.1926; and for Calder's see *Newcastle Journal* 11.1.1936.
83. Licensing Statistics 1920 (Cmnd 1386) and 1938 (Cmnd 6145).
84. Records of compensation proceedings show that 462 licences were lost through refusal under this process.
85. Newcastle Spec Lic Min TWAS MG/NC/7/4, North Tyneside Lic Min TWAS MG/NT/14 and *Newcastle Journal* 10.2.1938.
86. Newcastle Spec Lic Min TWAS MG/NC/7/4 and *Newcastle Journal* 19.2.1936 and 3.2.1938.
87. In 1927 the *Report of the Committee on Disinterested Management* (Cmnd 2862) p.22 said that "many brewing firms are anxious to improve the public houses owned by them but are prevented from doing so by licensing benches in many parts of the country". *Report of Royal Commission on Licensing (England & Wales)* 1929–31 (Cmnd 3988) p.50. said "It was frequently represented to us by witnesses that ... the justices have hindered the process of necessary and legitimate improvement by refusing their sanction to any alterations involving an increase of the area available for drinking, or by demanding heavy additional expenditure as condition of passing the plans. We think there is some substance in this complaint ...".

The fall in drunkenness can be seen in the following examples of drunkenness convictions :

|                 | Average for<br>1919–23 | 1938 |
|-----------------|------------------------|------|
| West Hartlepool | 292                    | 141  |
| Darlington      | 77                     | 49   |
| South Shields   | 631                    | 214  |
| Gateshead       | 703                    | 257  |
| Sunderland      | 348                    | 211  |
| Newcastle       | 1509                   | 1148 |

Source : Licensing Statistics 1919–23 and 1938 (Cmnd 817, 1386, 1703, 2257, 6145).

88. Newcastle Spec Lic Min TWAS MG/NC/7/4.
89. Newcastle Spec Lic Min TWAS MG/NC/7/4.
90. Newcastle Spec Lic Min TWAS MG/NC/7/4.
92. In 1928, for example, the Newcastle licensing magistrates said that they had not taken away any redundant licences for two years because they did not have the money to do so. They had a list of about twenty houses they considered redundant (*Newcastle Daily Journal* 8.2.1928).
93. For Berwick Breweries see *Newcastle Daily Journal* 25.5.1927; for Deuchar see *Newcastle Journal* 26.5.1933; and for Newcastle see *Newcastle Journal* 27.2.1932.
94. *Newcastle Journal* 26.5.1933.
95. For Newcastle see *Newcastle Journal* 7.3.1934; for Tynemouth see *Newcastle Journal* 15.6.1934; for Middlesbrough see *Newcastle Journal* 9.3.1933; and for South Shields see *Newcastle Journal* 11.6.1937.
96. For Wallsend see *Newcastle Journal* 1.3.1934 and for Durham see *Newcastle Journal* 20.6.1931.
97. *Newcastle Journal* 29.5.1936.
98. *Newcastle Journal* 4.7.1936.
99. N & DBA Ann Rep 1930, 1933 and 1934 TWAS AS/BA/6/2 & 3.

100. *Newcastle Journal* 17.2.1932 and 26.5.1933.
101. Such examples that do exist of non-brewers rebuilding or building new properties are by firms involved in the trade themselves on a significant scale as wine and spirit merchants and licensed property owners e.g. Robinson & Anderson, R. Charlton & Co., Davison & Wood Ltd., and Blayney & Co. (*Builder* 27.3.1936, 10.12.1937, 25.2.1938 and 17.2.1939).
102. *Newcastle Journal* 14.10.1936.
103. See, for example, *Newcastle Journal* 8.3.1934, 5.3.1935, 29.7.1935, 15.2.1937, 4.2.1938, 7.3.1938 and 21.4.1939.
104. N & DBA Ann Rep 1936 TWAS AS/BA/6/3.
105. For Nimmo's see *Newcastle Journal* 15.2.1932; for Newcastle Breweries see *Newcastle Journal* 5.3.1936; and for Vaux see *Newcastle Journal* 11.3.1937.
106. *Newcastle Journal* 4.2.1938 and 21.4.1939.
107. *Newcastle Journal* 20.5.1937.
108. Amongst the licensing areas for which statistics are not available are Tindale (the largest petty sessional division of Northumberland) and the Boroughs of Stockton, South Shields and Sunderland in County Durham.
109. In the Bamburgh licensing area, for example, there were only 20 licensed houses and many were owned by the Duke of Northumberland and the trustees of Lord Armstrong (Bamburgh Lic Reg NCRO 2620/PS9/38,39).
110. Hartlepool Lic Reg CCA PS/Ha 26.
111. Houghton-le-Spring Lic Reg TWAS MG/HS & W Chester Lic Reg DCRO PS A/LA 79.
112. Berwick Lic Reg NCRO 289/3313 PS4/111.
113. Bedlingtonshire Lic Reg NCRO N3210/PS7/106,107.
114. Durham County Lic Reg DCRO PS/DU50 and Bishop Auckland Lic Reg DCRO PS/PA 10 & 11.
115. Newcastle Lic Reg TWAS MG/NC/9/1-4 & 10/1-3.
116. SE Darlington Lic Reg DCRO PS/Da/B 51 & 52, Middlesbrough Lic Reg CCA SP/MD4/1 & 2 and Houghton-le-Spring Lic Reg TWAS MG/HS.
117. Berwick Lic Reg NCRO 289/3313 PS4/111, Gateshead Lic Reg TWAS MG/Ga/10/3 & 11/3, Bedlingtonshire Lic Reg NCRO N3210 PS7/106 & 107, Tynemouth Lic Reg TWAS MG/NT/12/1, Morpeth Lic Reg NCRO 3497 PS 5/119c, Jarrow Lic Reg TWAS MG/Ja/3 and Newcastle Lic Reg TWAS MG/NC/9/1-4 & 10/1-3.

118. Hartlepool Lic Reg CCA PS/Ha26, Middlesbrough Lic Reg CCA SP/MD4/1 & 2 and Newcastle Lic Reg TWAS MG/NC/9/1-4 & 10/1-3.
119. Licensing Statistics 1921 (Cmnd 1703) and 1938 (Cmnd 6145).
120. *The Times Trade and Engineering*, North East Coast Section, October 1938.
121. Durham County Lic Reg DCRO Ps/Du50.
122. Calculations based upon *Final Report on the Fifth Census of Production 1935*, Part III (1940), Table III p.177 and on *Final Report on the Fourth Census of Production 1930*, Part III (1935), p.171.
123. As 122.



## ENDNOTES : CHAPTER 8

1. *North Mail* 7.5.1928 and *Newcastle Daily Journal* 16.5.1929.
2. For Cameron's see *Brewing Trade Review* 1.2.1924; for Newcastle Breweries see *North Mail* 14.12.1925; and for Alnwick Brewery see *Brewing Trade Review* 1.4.1928.
3. *Statist* 14.12.1929.
4. BUCKMASTER GROUP, *The Social and Economic Aspects of the Drink Problem* (London 1931) p.55.
5. BUCKMASTER (1931) pp. 47–95.
6. BUCKMASTER (1931) pp. 47–95.
7. For example, see statements by C.W. Fryers, Secretary of the Regional National Trade Defence Association, reported in *Newcastle Daily Journal* 12.2.1930 and 24.2.1930.
8. See INGLIS, S. *The Football Grounds of Great Britain* (London 1987); JOANNOU, P., SWANN, B., & CORKE, S. *Newcastle United. A Complete Record, 1882–1990*. (Derby 1990); CLASPER, H. *Middlesbrough. A Complete Record, 1876–1989*. (Derby 1989).
9. Statistics for the total number of cinemas in Great Britain (available for 1935 onwards in *Annual Abstract of Statistics* No. 84, 1935–46, CSO 1947) give the number at the end of September 1939 as 4901. In a Parliamentary Answer in 1924 (170 H.C. DEB. 5s.p.998) a figure is given for Great Britain & Ireland of approximately 3100.
10. WOOD, R. *West Hartlepool. The Rise and Development of a Victorian New Town* (Hartlepool 1969) p.179; ANDERSON, A. *The Dream Palaces of Sunderland* (Birmingham 1982) p.18; MANDERS, F. *A History of Gateshead* (Gateshead 1973) p.251; LITTLE, Wm. *The History of Middlesbrough* (Middlesbrough 1968) p.213; MANDERS, F. *Cinemas of Newcastle* (Newcastle 1991) p.17.
11. *Newcastle Daily Journal* 1.8.1924 and *North Mail* 29.8.1924 and 26.9.1924.
12. *Report of Royal Commission on Licensing (England & Wales) 1929–31* (Cmnd 3988) p.105.
13. Licensing Statistics 1921 (Cmnd 1703) and 1938 (Cmnd 6145).
14. BAXTER, J. *The Organisation of the Brewing Industry* (Unpub. Ph.D Thesis, University of London, 1945) p.256.
15. For the growth in membership nationally see TREMLETT, G. *The First Century* (London 1962) p.74 and for Middlesbrough see SELLEY, E. *The English Public House As It Is* (London 1927) p.146.

16. SELLEY (1927) p.146.
17. Federation Brewery Supplement *North Mail* 25.8.1939 and *Newcastle Daily Journal* 27.10.1924.
18. *Report of Royal Commission on Licensing (England & Wales) 1929–1931* (Cmnd 3988) p.106.
19. *Report of Royal Commission on Licensing (England & Wales) 1929–1931* (Cmnd 3988) p.106.
20. N & DBA Ann Rep 1936 and 1939 TWAS AS/BA/6/3 and Federation Brewery Supplement *North Mail* 25.8.39.
21. *Brewing Trade Review* 1.7.1921 and 1.7.1922.
22. See, for example, statement by North Eastern Breweries in *Newcastle Daily Journal* 24.12.1924.
23. N & DBA Ann Rep 1922 TWAS AS/BA/6/2.
24. N & DBA Ann Rep 1922 TWAS AS/BA/6/2.
25. Rowell Min 5 TWAS 2319/2/3.
26. *Brewing Trade Review* 1.6.1928.
27. *Brewers' Journal* 15.1.1937.
28. For Federation Brewery see Federation Brewery Supplement *North Mail* 25.8.1939; for Newcastle Breweries see *Newcastle Journal* 1.10.1931, 27.7.1934, 29.7.1935 and 20.12.1937; for Rowell's see Rowell Min 5 TWAS 2319/2/3.
29. BAXTER (1945) Table 66 p.267.
30. Letters dated 16.2.1925 and 20.7.1925 Vaux and Associated Breweries. Copy Letter Books. Private Letters. 1924–31 DCRO D/Va 180.
31. Berwick B Min SBA BB2.
32. *Brewing Trade Review* 1.1.1926.
33. *Brewing Trade Review* 1.1.1927.
34. N & DBA Ann Rep 1937 TWAS AS/BA/6/3.
35. See, for example, *Brewing Trade Review* 1.9.1924 and 1.11.1927.
36. See, for example, *Newcastle Daily Journal* 14.8.1928, which carried adverts for Henley's Devonshire Cider, bottled locally by Newcastle Breweries.
37. *The Times Trade and Engineering*, North East Coast Section, December 1934.

38. *The Times*, 8.1.1932.
39. For summaries of the early initiatives in public house improvement see GORHAM, M. & DUNNETT, H. McG. *Inside the Pub* (London 1950) pp. 36–38 and OLIVER, B. *The Renaissance of the English Public House* (London 1947) p.21. For a report on the Brewers' Exhibition see *Brewing Trade Review* 1.12.1920.
40. Brewers' Society, *The Modern Public House* (London 1928) was followed by the publication of Brewers' Society, *Brewers and their Customers* (London 1929). For a report on North East distribution see N & DBA Ann Rep 1929 TWAS AS/BA/6/2.
41. Inclusion in the *Builder's* columns happened, for the most part, when the project was first put into train e.g. when the local and licensing authorities granted permission. The completion of the project may not have taken place until the following year. It is also possible that some projects did not actually make the columns of the *Builder*. However, the entries for licensed premises building, rebuilding etc. appear comprehensive and the fact that they were included in our statistics when they were begun reflects the timing of the brewer's decision to commit himself to the building activity.
42. *Newcastle Journal* 24.3.1933.
43. Encouragement from the licensing justices can be seen, for example, in 1936 when the chairman of Gateshead brewster sessions pointed out that the bench had willingly given their sanction to alteration that improved public houses and held the view that "if there were a little more comfort and homeliness in licensed premises it would be all to the good" (*Newcastle Journal* 6.2.1936). For Rowell's see Rowell Min 5 & 6 TWAS 2319/2/3 & 4; for Cameron's see WOOD, R. *The Lion Brewery. A Short History* (West Hartlepool 1963) p.31 and for Associated Breweries see *Newcastle Journal* 3.8.1936.
44. Statement made by Edward Reed of Newcastle Breweries and reprinted in N & DBA Ann Rep 1938 TWAS AS/BA/6/3.
45. Berwick B Min SBA BB2.
46. *Newcastle Journal* 18.10.1935 and 14.12.1937.
47. *Newcastle Journal* 6.5.1936.
48. See, for example, *Newcastle Journal* 26.5.1930, 25.11.1935 and 14.6.1937.
49. *Economist* 18.1.1930.
50. *Report of Royal Commission on Licensing* (England & Wales) 1929–31 (Cmnd 3988) p.156.
51. BAXTER (1945) Table 66, p.267 and p.268.
52. *Brewers' Journal*, Centenary Number 1965, p.104.

53. *Brewing Trade Review* 1.4.1928.
54. For local involvement in the national scheme see N & DBA Ann Rep 1931, 1933, and 1934. For Rowell's see Rowell Min 6 TWAS 2319/2/4.
55. BAXTER (1945) Table 66, p.267.
56. N & DBA Ann Rep 1934 TWAS AS/BA/6/3.
57. Berwick B Min SBA BB2.
58. See reports on annual competitions published by *Brewing Trade Review* in December of each year 1920–39.
59. See *Newcastle Daily Journal* 6.5.1921 and *Newcastle Daily Chronicle* 6.5.1921.
60. *Newcastle Daily Journal* 14.12.1922.
61. *Brewing Trade Review* 10.4.1921 and 1.4.1924.
62. For W.B. Reid see *Brewing Trade Review* 1.4.1922 and for Nimmo's see *Whitbread Magazine*, September 1964.
63. *Statist* 18.2.1922.
64. *Statist* 18.2.1922.
65. *Statist* 5.5.1923.
66. Rowell Min 4 TWAS 2319/2/2.
67. *Newcastle Daily Journal* 21.2.1922.
68. *Club and Institute Journal*, January 1922.
69. *The Times* 10.2.22.
70. For discussion of the changes in costs see N & DBA Ann Rep 1923 TWAS AS/BA/2, *Economist* 27.8.1921, *Newcastle Daily Chronicle* 28.5.1921 and *Newcastle Daily Journal* 21.2.1922.
71. *Newcastle Daily Journal* 25.2.1922.
72. Brewers' Society, *The Beer Duty; Why the Price of Beer is High* (26.4.22) reprinted in *Brewing Trade Review* 1.5.1922.
73. *The Times* 11.7.1922.
74. N & DBA Ann Rep 1923 TWAS AS/Ba/6/2.
75. *Statist* 5.5.1923.

76. For Newcastle Breweries see *Brewing Trade Review* 1.2.1924; for North East Breweries see *Newcastle Daily Journal* 14.12.1923; and for Rowell's see *North Mail* 22.5.1924.
77. *North Mail* 18.2.1926.
78. *North Mail* 15.12.1924.
79. *Statist* 4.10.1924.
80. For Rowell's see Rowell Min 4 & 5 TWAS 2319/2/2&3; for Jas. Deuchar see *Brewing Trade Review* 1.7.1925; and for dividends see *Stock Exchange Official Intelligence* 1924 and 1925.
81. *North Mail* 25.7.1924.
82. *Newcastle Daily Journal* 24.12.1924.
83. *Brewing Trade Review* 1.2.1925 and 1.2.1926.
84. *Statist* 5.5.1923.
85. For example, Rowell's (*Newcastle Daily Chronicle* 28.5.23).
86. *Brewing Trade Review* 1.6.1926.
87. N & DBA Ann Rep 1926 TWAS AS/BA/6/2.
88. Vaux and Associated Breweries. Copy letter Books. Private Letters 1924.31 DCRO Va/180.  
The newspaper reporting Sunderland unaffected by the strike was the *Newcastle Daily Journal* 5.5.1926.
89. *Sunderland Daily Echo* 6.5.1926, *Northern Echo* 8.5.1926 and *Newcastle Daily Journal* 11.5.1926.
90. Newc B Min 3a TWAS 1463/9.
91. Rowell Min 5 TWAS 2139/2/3.
92. For Newcastle Breweries see Newc B Rec of Profits TWAS 1463/287; for Cameron's and North Eastern Breweries see *Brewing Trade Review* 1.1.1927; and for W.B. Reid see *Brewing Trade Review* 1.4.1927.
93. *Economist* 30.4.1927.
94. *Newcastle Daily Journal* 9.3.1928.
95. *Newcastle Daily Journal* 8.3.1929.
96. Rowell Min 5 TWAS 2319/2/3.
97. *Economist* 22.11.1928.

98. *Economist* 14.12.1929.
99. *Economist* 22.11.1928.
100. *Newcastle Daily Journal* 7.12.1929.
101. For the general fall in brewery and other stocks see *Economist* 18.1.1930 and for Rowell's see *Brewing Trade Review* 1.6.1930.
102. For Alnwick Brewery see *Newcastle Journal* 6.3.1930 and for the Rowell's see *Newcastle Journal* 19.5.1931.
103. *Brewing Trade Review* 1.6.1930 and *Newcastle Daily Journal* 16.10.1928 and 29.4.1929.
104. See WILSON, R. 'The British Brewing Industry since 1750' in RICHMOND, L. & TURTON A. *The Brewing Industry. A Guide to Historical Records* (Manchester 1990) p.1–22.
105. N & DBA Ann Rep 1931 TWAS AS/BA/6/3.
106. NTDA (ND) Ann Rep 1931 and 1932 TWAS EM/TDA/2/3.
107. *Newcastle Journal* 4.3.1932.
108. *Newcastle Journal* 3.3.1933.
109. Rowell Shareholders Min TWAS 2319/1 and *Newcastle Journal* 3.12.1932.
110. For Vaux see *Newcastle Journal* 27.4.1932 and for Federation Brewery see *Newcastle Journal* 1.5.1933.
111. *Newcastle Evening Chronicle* 26.4.1933. A similar statement is made by Rowell's in *North Mail* 8.5.1933.
112. *Newcastle Journal* 9.3.1934.
113. Deuchar Ann Rep 1931–1934 TWAS 2336/22/1–29.
114. *Statist* 21.12.1935.
115. *North Mail* 18.5.1936.
116. For Newcastle Breweries see Newc B Rec of Profits TWAS 1463/287 and *Newcastle Journal* 7.12.1935; for Cameron's see *Statist* 25.5.1935; for Alnwick Brewery see *Newcastle Journal* 8.3.1935; and for Deuchar see *Newcastle Journal* 7.12.1935.
117. For Newcastle Breweries see Newc B Rec of Profits TWAS 1463/287; for Deuchar see *Newcastle Journal* 3.12.1936; and for Rowell's see Rowell Shareholders Min TWAS 2319/1.

118. For Rowell's see Rowell Shareholders Min TWAS 2319/1; for Deuchar see Deuchar Ann Acc 1937 TWAS 2336/22/1–29; for Newcastle Breweries see Newc B Rec of Profits TWAS 1463/287.
119. For Newcastle Breweries see Newc B Rec of Profits TWAS 1463/287 and for Associated Breweries see *Newcastle Journal* 28.7.1938 and 9.8.1938.
120. See, for example, Rowell Shareholders Min TWAS 2319/1.
121. *Newcastle Daily Journal* 4.1.1927 and *North Mail* 15.3.1939.
122. Deuchar Ann Acc 1933–1939 TWAS 2336/22/1–29.
123. *North Mail* 28.8.1939, *Newcastle Journal* 26.4.1939 and Federation Brewery Supplement, *North Mail* 25.8.1939.

## ENDNOTES : CONCLUSION

1. MATHIAS, P. *Retailing Revolution* (London 1967) p.ix
2. HANNAH, L. *The Rise of the Corporate Economy* (London 1976) p.2
3. HANNAH (1976) p.13
4. See, for example, MUSSON, A.E. *The Growth of British Industry* (London 1978) p.135 and POLLARD, S. *The Genesis of Modern Management* (London 1968) p.119
5. HANNAH (1976) p.111
6. Of the brewing firms in 1938, it has been estimated that the three largest jointly employed only 15% of the industry's workforce and those firms employing more than five hundred people accounted for around 40% of the total industrial workforce (MUSSON [1978] p.331). This suggests a concentration level which is not particularly high by the standards of other industries. However, calculations on a national basis underestimate the degree of local concentration.
7. See, for example, CHURCH, R.A. 'Prospects and Perspectives' in CHURCH, R.A. (Ed.) *The Dynamics of Victorian Business* (London 1980) pp.1-45.
8. See, for example, BUXTON, N.K. 'Introduction' in BUXTON, N.K. & ALDCROFT, D.H. (Ed.) *British Industry Between the Wars. Instability and Industrial Development 1919-1939* (London 1979) pp. 9-23.
9. COTTRELL, P.L. *Industrial Finance 1830-1914. The Finance and Organisation of English Manufacturing Industry* (London 1983) p.163 and LAVINGTON, F. *The English Capital Market* 3rd Edn. (London 1934) p.201.
10. COTTRELL (1983) p.163.
11. PAYNE, P.L. *British Entrepreneurship in the Nineteenth Century* (London 1974) p.19.
12. WILSON, R. 'The British Brewing Industry Since 1750' in RICHMOND, L. & TURTON, A. *The Brewing Industry. A Guide to Historical Records* (Manchester 1980) pp. 1-22.
13. See, for example, MUSSON (1978) p.290 and HANNAH, L. & KAY, J.A. *Concentration in Modern Industry* (London 1977) p.71.
14. COTTRELL (1983) p.163.
15. WILSON (1990).  
Wilson does say that "this figure is difficult to assess with accuracy". The whole issue of contemporary estimates of the tied trade is bedevilled with global estimates and little statistical analysis (see 16 below).



16. VAIZEY, J.E. *The Brewing Industry, 1886–1952* (London 1960) p.17 refers to unidentified Brewers' Society estimates which put the percentage of tied property at 75% of all licences in 1886 and at 95% in 1913. Unfortunately, VAIZEY, like others, talks of purchase and the extent of the tied trade in the same sentence and no clear distinction is made between ownership and control. The high percentage involved suggest that control (ownership, leasing, renting and loan ties) is implied. Our investigations of the ownership of licensed property in the North East (Appendix 8) points to the unlikelihood of 1886's percentage of control being achieved but that by 1913 some brewers had considerable ownership percentages and were known to lease property in some quantities, which could well combine to give percentages approaching 95% in certain North East districts by the outbreak of the First World War. WILSON (1990) says that ownership in 1900 is "agreed at 75% to 80%". Appendix 8 shows that the North East districts we know about c1900 could not match these levels, although a number of districts reached 70–80% by 1914.
17. VAIZEY (1960) p.24.
18. A full account of performance would cover such matters as profits, prices, productivity, technical progress etc.
19. WILSON (1990).

*S O U R C E S*

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# 1. MANUSCRIPT SOURCES

## A. AT TYNE & WEAR ARCHIVES SERVICE, NEWCASTLE

### i) John Barras & Co.

Minute Book (1463/1)

Prospectus 19.3.1889 (1463/2)

Papers on Reed v. Boyd in Chancery, in case involving Trustees of John Barras/1885 R no 191, 1886–7 (1463/270)

### ii) James Deuchar Ltd.

Annual Accounts 1928–1940 (2336/22/1–29)

### iii) Robt. Deuchar Ltd.

Directors' Meetings Minutes 1897–1903 (2336/27/1)  
1908–1940 (2336/27/2)

### iv) Newcastle Breweries Ltd.

|               |   |
|---------------|---|
| Board Minutes | Book No 1 27.2.1890–22.12.1904 (1463/6)   |
|               | Book No 2 27.1.1905–23. 3.1917 (1463/7)   |
|               | Book No 3 29.3.1917–6.9.1923 (1463/8)     |
|               | Book No 3a 13.9.1923–17.10.1929 (1463/9)  |
|               | Book No 4 24.10.1929–31.10.1935 (1463/10) |
|               | Book No 5 7.2.1935–28.4.1943 (1463/11)    |

General Meetings Cuttings, including press notices and reports, drafts of chairman's reports, sederunts, correspondence to shareholders, 1890–1946 (2319/5).

Copy contracts between Hugh Cumberland and J J and W H Allison, Swinburne, McConnell, Carr Bros., John Barras & Co. and agreement between Hugh Cumberland and Newcastle Breweries, 1890 (1463/106).

List of Licensed Houses from Formation of Co. 1897 (1863).

Valuation and Schedule of Properties owned by Newcastle Breweries Ltd. 1914 (1463/276).

Private Ledgers, Second Series (2336/1/1–6).

Valuation of property, stock lists, lists of tenancies, and other papers on takeover of W.J. Sanderson and John Sanderson 1896 (1463/373).

Cards Recording Dividend paid on Ordinary Shares and Net Profits 1890–1947 (1463/287).

Annual Reports and Balance Sheets (1463/125–246).

Valuation of Falconar's Stock and Properties 23.11.1893 (1463/323).

### v) Northern Breweries Corporation

Annual Reports and Balance Sheets (1463/324–445).

**vi) John Rowell & Son Ltd.**

Shareholders' Minutes 15.5.1929 – 2.9.1960 (2319/5)

|                    |  |
|--------------------|--|
| Directors' Minutes | Book No 3 10.6.1909–20.11.1917<br>(2319/2/1) |
|                    | Book No 4 20.12.1917–20.4.1925<br>(2319/2/2) |
|                    | Book No 5 12.5.1925–25.11.1931<br>(2319/2/3) |
|                    | Book No 6 14.12.1931–16.1.1940<br>(2319/2/4) |

**vii) Wood's Brewery**

Valuation of the Property Connected with Brewery of late Christopher Wood, 1835 (573/179).

**viii) Northumberland and Durham Brewers' Association**

|         |                       |
|---------|-----------------------|
| Minutes | 1887–1910 (AS/BA/1/1) |
|         | 1910–1923 (AS/BA/1/2) |
|         | 1923–1939 (AS/BA/1/3) |

|                |                       |
|----------------|-----------------------|
| Annual Reports | 1909–1920 (AS/BA/6/1) |
|                | 1921–1930 (AS/BA/6/2) |
|                | 1931–1940 (AS/BA/6/2) |

**ix) National Trade Defence Association (Northern District)**

|         |                        |
|---------|------------------------|
| Minutes | 1891–1899 (EM/TDA/1/1) |
|         | 1900–1917 (EM/TDA/1/2) |
|         | 1917–1945 (EM/TDA/1/3) |

|                |                        |
|----------------|------------------------|
| Annual Reports | 1909–1920 (EM/TDA/2/1) |
|                | 1921–1930 (EM/TDA/2/2) |
|                | 1931–1940 (EM/TDA/2/3) |

**x) Licensing Records**

Newcastle Magistrates Court. Special Licensing Session Minutes and Orders Vol 4 1917–1935 (MG/Nc/7/4).

North Tyneside Magistrates Court Licensing Meetings Minutes 1912–1937 (MG/NT/14).

Newcastle Magistrates Court, Publican's Licences and Beer, Wine and Spirits Register (MG/9/1–4 & 10/1–3).

Blaydon Magistrates Court. Beer, Wine and Spirits Licensing Registers (MG/B1/4/1 & 2).

Houghton-le-Spring Petty Sessional Division of Easington Ward, Licensing Registers (MG/HS/8/1).

West Castle Ward Petty Sessional Division of Northumberland, Beerhouse and Full Public House Registers (MG/CW/8/1–6)

Borough of Wallsend, Register of Licences (MG/Wa/3/1 & 2)

North Tyneside Magistrates Court, Licensing Registers  
(MG/NT/12/1)

Durham County Petty Sessions, Borough of Jarrow Division,  
Licensing Register (MG/Ja/3)

Gateshead Borough Petty Sessions, Ale Registers (MG/Ga/10–3)

East Castle Ward Division of Northumberland, Register of Licences  
(1809/4/2).

xi) City of Newcastle Planning Applications (186)

xii) River Wear Commission

Traffic Abstracts. Goods from Leith (Imports) by Steamer  
(202/2959)

## **B AT DURHAM COUNTY RECORD OFFICE, DURHAM**

i) North Eastern Breweries Ltd.

List of Properties c1910 (D/Va 72)

Correspondence of Thos. Humphrey (D/Va/176–179)

Private Letter Books 3.12.1924–2.4.1931 (D/Va/180)

ii) McLean & Co.

Partnership Agreement between M.H. Mawson and J. McLean, 1889  
(D/HH/2/10/798)

Sale Notice for Mawson's Properties (D/HH/2/10/740)

Report on Sale of Mawson's Properties (D/HH/2/10/837)

iii) Nimmo's

Schedule of Brewery Rents (D/CG5/1323)

Schedule of Fixtures at Castle Eden Brewery (D/CG5/1324)

iv) West Auckland Brewery Co.

Board Minutes Book 1 20.3.1878 – 18.4.90 (D/WAB/2)

Book 2 27.6.1890 – 1.5.1907 (D/WAB/3)

v) Licensing Records

Middle Division of Chester Ward (Chester-le-Street) Licensing  
Register (PS/CS42)

Stanhope Licensing Register (PS/BA60)

South West Division of Darlington Licensing Register (PS/BA43)

West Division of Chester Ward Licensing Register (PS/La79)

Wolsingham Licensing Register (PS/BA67)

Durham City Licensing Register (PS/Du29)

Darlington Borough Licensing Registers (PS/Da/B53 & 54)

Darlington County Licensing Register (PS/Dal13)

Durham County Petty Session Licensing Register (PS/Du50)

South East Division of Darlington Licensing Registers  
(PS/Da/B51&52).

South Division of Easington Ward of County Durham Licensing Register (PS/CE27)

- vi) **Darlington Planning Applications (Da/NG/2)**

**C AT NORTHUMBERLAND COUNTY RECORD OFFICE, NEWCASTLE**

- i) **Ridley, Cutter & Firth.**  
Directors' Minute Book 9.10.1923 – 11.7.1933 (1115/60)
- ii) **Licensing Records**  
  
East Coquetdale Ward Licensing Registers (2620/PS9/99)  
Bedlingtonshire Ward Licensing Registers (3210/PS7/106 & 107)  
Norham and Islandshire Ward Licensing Register (2620/PS6/26)  
Haltwhistle Ward Licensing Register (3209/PS2/40)  
Morpeth Ward Licensing Register (3497/PS5/119c)  
West Coquetdale Ward Licensing Register (2620/PS9/68)  
Bamburgh Ward Licensing Registers (2620/PS9/38 & 39)  
North Coquetdale Ward Licensing Register (2620/PS9/20)  
Borough of Berwick Licensing Register (289,3133/PS4/111)  
Bishop Auckland Licensing Registers (PS/BA10 & 110)

**D AT CLEVELAND COUNTY ARCHIVES, MIDDLESBROUGH**

- i) **Licensing Records**  
  
Middlesbrough Licensing Registers (PS/MD4/1 & 2)  
Borough of Hartlepool Register of Licences (PS/Ha26)  
North Ormsby Licensing Registers (PS/MD/3 & 4)  
West Hartlepool (part) Licensing Register (uncatalogued).
- ii) **Borough of Stockton ~~Licensing~~ <sup>Planning</sup> Applications**

**E AT THE SCOTTISH BREWING ARCHIVE, GLASGOW UNIVERSITY**

- i) **Berwick Breweries**  
Minute Book 1926–1941 (BB2)
- ii) **Border Brewery**  
Minute Book 1900–1926 (BB1)
- iii) **Durham & Northumberland Licensed Victuallers Syndicate,**  
Minutes (LC9/4/6)

**F AT NEWCASTLE CITY LIBRARY**

- i) **Tyne Improvement Commission**  
Accounts 1890–1910
- ii) **Deed of Partition of the Grainger Estate (Town Property) 31.4.1901.**

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#### 4. THESES

BAXTER, J. *The Organisation of the Brewing Industry* (Ph.D Thesis, London University, 1945).

KANEFSKY, J.W. *Diffusion of Power Technology in British Industry, 1770–1870* (Ph.D Thesis, University of Loughborough, 1979)

KNOX, D.M. *The Development of the London Brewing Industry, 1830–1914 with special reference to Whitbread and Company* (M. Litt Thesis, Oxford University, 1956).

ROSS, C. *The Development of the Glass Industry on the Rivers Tyne and Wear, 1700–1900* (Ph.D Thesis, University of Newcastle 1982).

#### 5. DIRECTORIES

*A Descriptive Account of Berwick* (1894)

*A Descriptive Account of Durham and District* (1894)

*A Descriptive Account of the Hartlepoons* (1894)

*A Descriptive Account of Morpeth* (1894)

*A Descriptive Account of Newcastle* (1894)

*Christie's Newcastle and Gateshead Annual Directory* 1870–71

*Guide to the Ports on the Tees and Hartlepoons* (1900)

*Illustrated Guide to Sunderland and District* (1898)

*Jackson's Postal Address Directory of Newcastle upon Tyne and Tyneside* (1880)

*Kelly's* (see p.364 for dates and title variations)

*Mercer & Crocker's General, Topographical and Historical Directory and Gazetteer for Northumberland, Durham and Newcastle* (1868)

*Rivers of the North. Their Cities and Commerce* (1894)

*Slater's Royal National Commercial Directory of Cumberland, Durham, Northumberland, Westmoreland and the Cleveland District* 1877 and 1884.

*Tyneside Industries. Newcastle & District. An Epitome of results and Manual of Commerce* (1889)

*Vint & Carr's Borough of Sunderland Directory* (1844)

*Walker's Durham Directory and Almanack*

*Ward's* (see p.368–9 for dates and title variations)

## 6. TRADE JOURNALS AND OTHER PERIODICALS

Trade journals have been separated into 'main' and 'supplementary'. Those in the 'main' category were surveyed for all or most of the period (or for that part of the period for which they were published), and regularly referred to in the thesis. The 'supplementary' list consists of trade journals or brewery company magazines which, because of their content or relatively short lives, had only minor contributions to make. As for non-trade or 'other periodicals', only those surveyed for all or considerable parts of the period (and providing significant material) are included.

### i) Trade Journals : Main

*Brewers' Guardian*  
*Brewers' Journal*  
*Brewing Trade Review*

### ii) Trade Journals; Supplementary

*Breweries and Distilleries*  
*Brewers' Almanack*  
*Brewers' Weekly*  
*Brewery Manual*  
*House of Whitbread*  
*Journal of the Institute of Brewing*  
*Things That Affect Us*  
*Vaux News*  
*Whitbread's Magazine*

### iii) Other Periodicals

*Builder*  
*Burdett's Official Stock Exchange Intelligence, later Stock Exchange*  
*Official Intelligence, later Stock Exchange Official Yearbook*  
*Economist*  
*Engineering*  
*Statist*  
*The Times Trade and Engineering*

## 7 NEWSPAPERS

Newspapers on the 'main' list are those surveyed for all or most of the period 1869–1939 and which provide good coverage over all or substantial parts of the region. The 'supplementary' list consists of more local publications which were consulted for information on specific events in that locality. National newspapers to which occasional reference is made have not been included.

### Main

*Darlington and Stockton Times*  
*Newcastle Daily Chronicle, later the North Mail*  
*Newcastle Courant*  
*Newcastle Daily Journal, later the Newcastle Journal*  
*Newcastle Weekly Chronicle*  
*Northern Echo*  
*Sunderland Daily Echo*

### Supplementary

*Alnwick Gazette*  
*Alnwick Journal*  
*Berwick Journal*  
*Blyth Weekly News*  
*Durham County Advertiser*  
*Hexham Courant*  
*Morpeth Herald*  
*South Durham Herald*

## 8 PARLIAMENTARY PAPERS

*Report from the Select Committee on Sale of Beer*, House of Commons, 6.4.1830, p.99.

*Return of (1) the Number of On–Licences in each Licensing District where the Tenant and Owner on the Register are Different Persons; and (2) the Number of Persons in Each District, and the Names of such Persons who are on the Register as Owners of two or more etc.* House of Commons 16.6.1892.

*Census of England & Wales 1891, Ages, Conditions as to Marriage, Occupations, Birthplaces and Infirmities*, Vol. III, 1893 (Cmnd 7058)

*Royal Commission on Liquor Licensing Laws*, First Report 1897 (Cmnd 8355/6)

*Royal Commission on Liquor Licensing Laws*, Third Report 1898 (Cmnd 8693/4)

*Royal Commission on Liquor Licensing Laws*, Final Report 1899 (Cmnd 9739)

*Census of England & Wales 1901, County Durham 1902* (Cmnd 1147)

*Census of England & Wales 1901, County of Northumberland 1902* (Cmnd 1294)

*Report of an Enquiry by the Board of Trade into the Earnings and Hours of Labour of Workpeople of United Kingdom* (1906), Vol III (Cmnd 6556)

*Census of England & Wales 1911, Vol X, Occupations and Industries, Part II, 1913* (Cmnd 7019)

*Proposals for the State Purchase of the Licensed Liquor Trade (England & Wales) 1916* (Cmnd 8283)

*Commission of Enquiry into Industrial Unrest, Summary of the Reports of the Commission, 1917* (Cmnd 8696)

*State Purchase and Control of the Liquor Trade 1918* (Cmnd 9042)

*State Purchase and Control of Liquor Trade : Report of the English and Welsh Committee, 1920* (Cmnd 9042)

*Report of the Committee on Disinterested Management 1927* (Cmnd 2862)

*Minutes of Evidence taken before the Royal Commission on Licensing (England & Wales) 1931*

*Report of Royal Commission on Licensing (England & Wales) 1932* (Cmnd 3988)

*Final Report on the Fourth Census of Production 1930, Part III, 1935*

*Final Report on the Fifth Census of Production 1935, Part III, 1940*

Licensing Statistics

Annual Returns of Brewers Licences 1870–1914 (see p.366 for full titles)

## 9. MISCELLANEOUS

In addition to the sources listed above, the following contain useful information on particular aspects of the North East trade.

*Newcastle & Gateshead Chamber of Commerce Journal, Exhibition Year Supplement 1929*

*North East Coast Exhibition : Souvenir and North East Coast Visitors Guide* (1929)

*Tyneside Industrial Review* (*Evening Chronicle* February 1938 and 1939)

Federation Brewery Supplements in *North Mail* 25.8.1939 and *Newcastle Journal* 30.11.1957.

*Stock Exchange Register of Defunct and Other Companies* (1946)

*Official Handbook of the Gateshead Corporation* (1951)

*Reports of Chief Constable of Newcastle*